

On Wednesday, Mr. Mayor closed the gap, winning 16 votes to Mr. Bobo's 14. UNESCO's Mr. Bodo said he now hoped to capture the four votes controlled by the Soviet Union, which supported the Bulgarian candidate, Nikolai Todorov, in earlier rounds. They said he also hopes to win some supporters away from the M'Bow camp.

Some UNESCO sources said the 24-hour delay, urged by Mr. M'Bow's supporters, was intended to allow him time to bow out gracefully.

One West European delegate  
See UNESCO, Page 6

# Pressure Grows on British Leaders to Strengthen Controls on Guns and TV Violence

By Howell Raines  
New York Times Service

LONDON — The second multiple killing in two months in Britain has increased pressure on the government of Prime Minister Margaret Thatcher to strengthen controls on gun ownership and television violence. Four persons were killed Wednesday in Bristol. A man carrying three shotguns and 500 shells shot and killed two persons after bludgeoning his mother and sister to death. On Aug. 19, a man firing a semiautomatic rifle in Hungerford, west of London, killed 16 persons.

There were demands for Home Secretary Douglas Hurd, who is responsible for domestic affairs, to speed up the changes he has already announced in gun control and the policing of broadcasting in response to what has been called the "Hungerford Massacre."

Mr. Hurd said Thursday that he was moving as rapidly as possible to tighten gun laws by putting legislation before Parliament next month. But he said there was no "guarantee against the citizen who fills in every form, satisfies every requirement, obeys every law until the moment comes when he commits a terrible crime."

The Police Federation, which represents 120,000 law enforcement officers, and the Labor Party leadership called for faster and stronger action. Mr. Hurd has already banned machine guns and military-style automatic rifles like that used by Michael Ryan, the Hungerford killer. He also has proposed making shotguns subject to the more stringent licensing requirements that apply to semiautomatic sporting rifles and pistols.

Leslie Curtis, chairman of the Police Federation, said these steps "do not go far enough" to control the 840,000 shotguns already licensed in Britain. Labor leaders said they want to make it harder for anyone to secure a gun permit for any reason. The British Shooting Sports Council announced a \$160,000 publicity campaign to fight any change in gun laws based on the behavior of what the organization's leaders call "nut cases."

Kevin Weaver, 24, who has been accused in the Bristol killings, had his gun license temporarily revoked last year. His license and weapons were restored after his mother, a friend and a physician told the authorities that he was fit to own guns.

Mr. Weaver's situation has fueled the argument over licenses. Under Mr. Hurd's plan, licenses would continue to be available at the discretion of the local police. But Ann Taylor, the Labor spokeswoman on home affairs, called for licensing procedures that would remove the onus of such decisions from the police and require individuals to show a "genuine need for a shotgun."

"I think that the home secretary is under a lot of pressure from the gun lobby, and what I'm afraid of is that the gun lobby in this country may start to gather force and gain strength just as it has done in the United States," Ms. Taylor said Thursday.

Her remark underscored the degree to which the image of America as a violent, gun-owning society colors the debate on guns and violence in Britain. Mr. Ryan, who killed himself after terrorizing a peaceful Berkshire town, was depicted as a would-be "Rambo" — after the American movie about a disturbed Vietnam War veteran — and Mr. Weaver on Thursday was portrayed as having been influenced by violent American videotapes.

Mary Whitehouse, leader of the 100,000-member National Viewers and Listeners Association, said the mass killings would lead force to her group's anti-violence campaign, and recent regulatory developments seem to bear her out.

As a direct result of Hungerford, the Independent Broadcasting Authority, which oversees the main commercial channels, has reduced the amount of American programming from five and a half to four hours. It also increased its staff of monitors, who review programs for violent content, from 80 to 135. The British Broadcasting Corp. is restricting its use of American programs and canceling or delaying some of its own action programs.

Since Hungerford, Mr. Hurd also has been under pressure to introduce legislation to limit violence on television, a step that Mrs. Thatcher has favored in the past. Fearful of such laws, broadcasters have reluctantly supported Mr. Hurd's decision to form a watchdog group called the Broadcasting Standards Council.

The council would lack statutory powers to control the content of broadcasting, and Mr. Hurd describes it as an attempt to avoid "heavy-handed authoritarianism." But Home Office and broadcast officials candidly call it a pressure group that broadcasters have to accept as an alternative to outright censorship.

"It won't be able to tell broadcasters what to do at all," a Home Office spokesman said. "What it will be able to do is focus public concern and be a pressure group, if you like. It will just be a pressure-group voice that broadcasters can ignore, but the broadcasters would have to answer to the public why they would not be responsive."

The official said that Mr. Hurd would appoint a "high profile chairman" of the group sometime next year. In the past, Mrs. Whitehouse and other critics of television have pressed to have broadcasting brought under the Obscene Publications Act, a seldom-enforced but tough law that covers films and books.

## Winds Leave 21 Dead And Black Out London

International Herald Tribune

Hurricane-force winds blacked out London on Friday for the first time since the World War II blitz and caused widespread damage in southern England, northern France, Spain and Portugal. The storm left at least 21 persons dead.

The heaviest devastation was in England, where winds of up to 110 mph (170 kph) were registered, the highest on record. The storm disrupted transportation and halted trading on London financial markets.

The authorities said that at least 13 persons had been killed in Britain.

In some places the winds were too strong for monitoring equipment to measure peak gusts. They ripped down power lines and demolished several buildings, including the Queen's Hotel in Hastings on the Sussex coast, where one guest was killed and two were injured.

A third of the trees in the renowned botanical gardens at Kew near London were uprooted.

"It is probably reasonable to assume that more damage has been done today than in any other single incident since the war," said Chief Inspector John Brewer of the London police.

A spokesman for the London Weather Center described the storm as "a southwesterly air stream, a depression that formed in the mid-Atlantic and just got deeper and deeper."

London and the southern counties of Sussex, Surrey and Kent were blacked out early Friday morning.

Electrical power was restored to parts of London three hours later, but a spokesman for the Central Electricity Generating Board said it was "going to be a very big uphill battle" to restore supplies in other areas.

Many roads were blocked, and the police urged motorists to stay home. They called on the army for help and in some areas asked for volunteers with chain saws to clear fallen trees and debris.

Trains and subways were halted by power failures and obstructions on the tracks. Those commuters who did succeed in reaching Lon-

don were served breakfast by candlelight.

Late in the morning, the Bank of England suspended trading on all main markets until Monday because of the dislocations in the transportation system and severe telecommunications problems.

Incoming flights to Heathrow and Gatwick airports were diverted to other European destinations.

Harbors were closed, and 800 passengers were stranded on two ferries that were forced to wait off Dover and Harwich.

Several ships got into trouble, including a freighter that capsized outside Dover harbor with the feared loss of two lives and a cross-channel ferry that blown aground in Folkestone harbor. In the North Sea, 21 men were airlifted to safety from an oil rig.

In Spain, one person was killed, another was missing and about a dozen were injured when the storm swept across the province of Galicia, driving nearly 7,000 people from their flooded homes. Two building workers were killed in Oporto, Portugal, when the winds blew down scaffolding on which they were working.

The storm then battered the Atlantic and Channel coasts of France, Belgium and the Netherlands as it surged northward from the Bay of Biscay.

Four persons were killed in France, 15 were injured and there was extensive property damage. A motorist was killed near Amsterdam by a tree branch that fell on his car.

Several French towns were blacked out, including Brest, Quimper and Lorient.

Scores of roads were blocked by falling trees, and in Moulins, the entire roof of a supermarket disappeared.

Rail traffic between Caen and Paris and Rouen and Paris was temporarily disrupted.

British weather forecasters, who had not predicted the intensity of the storm, said the winds were moving up the North Sea toward Norway, losing much of their strength along the way.

"It looks as if it will stay out over the water," a meteorological office spokesman said, adding that no more damage was expected in Britain.



Soldiers telling a crowd of Nicaraguans on Thursday that major highway connecting eastern and western Nicaragua. Contra guerrillas raided villages along the road Thursday.

## Contras Seek Negotiations With Sandinists

Compiled by Our Staff From Dispatches

WASHINGTON — The Nicaraguan rebels have announced that they would send a delegation to Managua to negotiate directly with the Sandinist government, but President Daniel Somoza Ortega said they would be jailed unless they first asked for a government amnesty and agreed to lay down their arms.

These developments were the latest indications that a widely acclaimed peace plan for Central America was running into trouble. The difficulties were underscored by a series of new attacks in Nicaragua by the U.S.-backed rebels.

The rebels announced in Washington on Thursday that they would send a delegation to Managua to force the government into talks on a cease-fire. In what appeared to be a move to strengthen the bargaining position of the rebels, guerrilla forces inside Nicaragua raided four villages along a strategic highway to the Atlantic coast in one of the biggest strikes since the war started in 1981.

Mr. Ortega rejected the rebel plan for talks.

"If they arrive without accepting the amnesty," he said, "they will go to prison — even if they are accompanied by U.S. congressmen. The Sandinists, one of five Central American governments to sign a peace agreement on Aug. 7, consistently have rejected direct talks with the rebels."

Meanwhile, President José Azcona Hoyo of Honduras called on the Nicaraguan government to negotiate a cease-fire directly with the rebels and said his government would be released from its obligations under the peace accord unless Managua complies fully with it by Nov. 7.

In an interview late Wednesday, Mr. Azcona joined other Central American leaders in demanding direct peace talks between the Sandinists and rebels, known in Nicaragua as the *contrarrevolucionarios* or contras.

President Oscar Arias Sánchez of Costa Rica, the architect of the Central American peace accord who on Tuesday was awarded the Nobel Peace Prize, and President José Napoleón Duarte of El Salvador, who is visiting Washington, each called this week for direct negotiations between the Sandinists and the contras.

Mr. Azcona said "Nicaragua's compliance must include a negotiated cease-fire, not a unilateral cease-fire, the lifting of all political prisoners as part of a 'general amnesty,' the lifting of a state of emergency and guarantees of complete freedom of expression. If the Sandinists do not meet their obligations under the peace accord, Mr. Azcona said, he would not ask the United States to suspend aid to the rebels."

Rather than negotiate a truce with rebel leaders, the Sandinists have declared a limited unilateral cease-fire now applicable in four areas of Nicaragua and have initiated approaches to local contra

field commanders to urge acceptance of a limited amnesty. The Sandinists up to now also have ruled out a general amnesty for all "counterrevolutionary" prisoners.

Nicaragua has rejected direct talks with the contras and instead called for bilateral negotiations with the United States.

Humberto Ortega Saavedra, the Nicaraguan defense minister and brother of the president, said Thursday that "the person with whom we have to arrange a cease-fire is the chief of the mercenaries," explaining that he meant "the who calls himself a contra, Ronald Reagan."

In Nicaragua, fighting on Thursday raged over more than 50 miles (80 kilometers) of the Rama Road, the only highway connecting eastern and western Nicaragua and the main supply route for arms and munitions shipped into Nicaragua's Atlantic Coast. The government declared the battle won on Thursday, but the road was still closed Friday. (AP, WP, Reuters)

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## Commonwealth Says Coup Means Fiji Has Forfeited Its Membership

Reuters

KELOWNA, Canada — Fiji forfeited its membership in the British Commonwealth this month when a coup leader declared a republic there, Prime Minister Brian Mulroney of Canada said Friday.

Speaking for the Commonwealth leaders, he said the association would be prepared to consider Fiji's status if it applied for readmission. Mr. Mulroney is chairman of the weeklong Commonwealth summit meeting being held in British Columbia.

On Thursday, Queen Elizabeth II said she had accepted the resignation of Fiji's governor-general, ending the British monarch's sovereignty over the tiny Pacific Ocean nation following a second coup there, led by Colonel Sitiveni Rabuka.

Earlier Friday in Fiji, Colonel Rabuka said that he hoped his country's break with the crown could be restored and that he wanted the former governor-general to become president of the new Fiji republic.

The colonel said that he regretted the resignation of Ratu Sir Penaia Ganilau as governor-general and crown representative but that there was no other way to solve the country's constitutional and political crisis.

"For a while, we will not have Queen Elizabeth as our queen," Colonel Rabuka said. "We hope that we will be able to work out an arrangement in which she will again be our queen."

In Canada, Mr. Mulroney said: "The Commonwealth leaders acknowledge that on the basis of established Commonwealth conventions, Fiji's membership of the Commonwealth lapsed with the emergence of a republic on 15 October."

It will take a unanimous vote of all 48 members of the Commonwealth for Fiji to be readmitted.

Colonel Rabuka staged a coup on Sept. 25 for the second time in five months, demanding political supremacy for native Fijians, who are marginally outnumbered by islanders of Indian descent.

Prime Minister Rajiv Gandhi of India has criticized Colonel Rabuka's action, and his dissenting vote alone would be enough to prevent Fiji from gaining readmission to the Commonwealth.

On Thursday, Prime Minister Margaret Thatcher of Britain said she hoped the Commonwealth ties with Fiji would be able to be maintained.

"Fiji has far more chance of coming out of the deeply disturbing situation if she keeps the Commonwealth link," she said.

Colonel Rabuka said, "I hope Ratu Sir Penaia Ganilau will become our first president," adding, "I am pretty sure the Great Council of Chiefs will press for it when they meet soon."

Fiji's 300 traditional chiefs, who wield considerable power among the indigenous population, are expected to meet in Suva later this month.

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## WORLD BRIEFS

### Kim Dae Jung Declares His Candidacy

SEOUL (AP) — Kim Dae Jung formally declared himself a candidate Friday in South Korea's first direct presidential elections in 16 years, officially dividing the ranks of the opposition that he seeks to lead.

The country's other key opposition leader, Kim Young Sam, declared his candidacy on Sunday, despite warnings from other leading opposition figures that the split will allow the ruling party to win the mid-December election.

Kim Dae Jung said in an interview with the Mumbwa Broadcasting Corp.: "If and when I am convinced that the opposition will lose if we both run or that the people will give more support to Mr. Kim Young Sam, I will be prepared to leave the field in favor of him."

Kim Dae Jung, 63, has been vying as a candidate of the opposition with Kim Young Sam, 59, head of the Democratic Party. Both had earlier pledged to agree on a single candidate to lead the opposition.

### Algeria Tops Morocco for UN Seat

UNITED NATIONS, New York (AP) — Algeria, which has been engaged in a dispute with Morocco for 12 years over the Western Sahara, has been elected over its North African neighbor as a nonpermanent member of the United Nations Security Council.

Brazil, Yugoslavia, Nepal and Senegal also were chosen Thursday to serve two-year terms starting Jan. 1. Algeria, which has strong ties to Iraq, won the fifth and final seat in a runoff election against Morocco in voting by the 158 General Assembly members who cast ballots. South Africa was absent.

The Algerian-backed Polisario guerrilla movement has been fighting for independence of the Western Sahara since most of the former Spanish colony was occupied and annexed by Morocco in 1975.

### No Survivors in Italian Plane Crash

ASSO, Italy (Reuters) — Searchers reached the wreckage Friday of an airliner that slammed into mountains in northern Italy during a storm, but they found no survivors.

Ivano Acerboni, one of the first to reach the area, said: "It was an awful sight. It's impossible that anyone could be alive. There were no bodies intact."

The twin turboprop aircraft of the Italian airline ATI crashed into mountains above Lake Lecco shortly after taking off from Milan on Thursday night. It was carrying a crew of three plus 34 passengers, 29 of them German, on a regular flight to Cologne. The cause of the crash was not known, but officials said the flight recorder had been found.

### 3d Game of Chess Match Ends in Draw

SEVILLE, Spain (Reuters) — The third game of the world chess championship ended in a draw Friday after 29 moves at the suggestion of the titleholder, Garry Kasparov.

The challenger, Anatoli Karpov, now leads the 24-game series by two points to one.

### GAME 3 GRUENFELD-SLAV DEFENSE

White	Black	White	Black	White	Black
Karpov	Karpov	Karpov	Karpov	Karpov	Karpov
1. d4	Nf6	11. Be3	Nb6	21. Nf3	Qd7
2. c4	e5	12. Bb2	Nc7	22. Qe2	Nf5
3. g3	e4	13. Bb2	Nc7	23. Qe2	Nf5
4. Bg2	d5	14. Bb2	Nc7	24. Bc1	Nf5
5. cxd5	cxd5	15. Rf1	Bc6	25. Qd1	b6
6. Nf3	Bg7	16. Nf3	Nb8	26. Be1	g5
7. Nc3	Bg7	17. e3	Nb8	27. Rf1	g5
8. Ne5	e6	18. Nc4	Qc6	28. Rf2	h6
9. 0-0	Nf7	19. Be1	Rf8	29. Bc3	g4
10. f4	Nc6	20. Bf1	f6	30. Draw	

### For the Record

The Soviet Union carried out an underground nuclear test Friday at the Semipalatinsk test site in Central Asia "in the aim of perfecting military technology," the official Tass news agency said. It was the ninth military test by the Soviet Union since February.

Tests confirm that an interruption of electrical power prevented an alarm from sounding on a Northwest Airlines jet that crashed near Detroit after taking off with its flaps set improperly, the National Transportation Safety Board said Friday. The accident, on Aug. 16, killed 156 people.

More than 1,000 new cases of acquired immune deficiency syndrome, or AIDS, have been reported to the World Health Organization in the last week, the agency said Friday in Geneva.

Albania and Uruguay have set up diplomatic relations at the level of ambassador, the Albanian news agency, ATA, said in a dispatch monitored in Vienna on Friday.

## TRAVEL UPDATE

### U.K. Airline Offers Suits in 1st Class

NEW YORK (LAT) — British Caledonian Airways, competing with airlines that offer frequent flyer bonuses, is giving men's suits to passengers who fly first-class round-trip to London from Atlanta, Houston or Dallas. The promotional offer is good through Oct. 31.

A British Caledonian spokesman said the airline had made no provision in the campaign for women because 97 percent of the airline's first-class passengers are men. "We have received no complaints," he added.

El Al, the Israeli national airline, is to begin direct flights to Warsaw on Thursday, an El Al spokesman said in Tel Aviv.

## Mrs. Reagan to Undergo Cancer Test

The Associated Press

WASHINGTON — Nancy Reagan, who has a "suspicious lesion," is to undergo tests Saturday for breast cancer and will have her left breast removed if doctors confirm preliminary evidence of malignancy, the White House said Friday.

The chief White House spokesman, Martin Fitzwater, said a routine mammogram turned up "a suspicious lesion that might represent an early stage of malignancy" in President Ronald Reagan's wife.

He said doctors would proceed with a "modified radical mastectomy" if evidence of cancer is found. The procedure involves removal of the breast but not the underlying muscle.

Mr. Fitzwater quoted Mrs. Reagan, 66, as saying, "I guess it's my turn," when doctors advised her that she may have cancer.

Mr. Reagan has had a portion of his colon removed in a cancer operation and has had bits of skin removed from his nose in procedures for skin cancer.

Mr. Fitzwater said Mrs. Reagan is in good spirits and feeling well, adding, "I think she has some anxiety, as anyone would."

Mr. Fitzwater said the president would accompany Mrs. Reagan when she entered Bethesda Naval Hospital on Friday and would return to the White House for the night.

Mr. Fitzwater said Mrs. Reagan had undergone a routine mammogram, a test for possible cancer, and doctors decided on the follow-up procedures on the basis of the results.

"If there is microscopic evidence of malignancy," the spokesman said, "the physicians will proceed with the surgical extirpation of the left breast and remove nodes from the left axilla, a procedure known as a modified radical mastectomy."

Mr. Fitzwater said that "all other alternatives of management of carcinoma of the breast have been discussed with the first lady, and she accepts the procedure recommended for her circumstance."

### Soviet Holds Talks in Beijing

Agence France-Press  
BEIJING — Igor Rogachev, the Soviet vice foreign minister, left Friday after the 11th round of normalization talks between China and the Soviet Union, which began Oct. 5.

A RARE PUBLIC MOMENT IN A LONG PRIVATE STRUGGLE. A MOMENT OF RECOGNITION OF RESOLVE TO REACH FOR MORE OMEGA. FOR ALL YOUR SIGNIFICANT MOMENTS.



OMEGA ALWAYS MARKS SIGNIFICANT MOMENTS. AT THE OLYMPICS IN THE SPACE PROGRAM, IN SIGNIFICANT LIVES LIKE YOURS THE OMEGA CONSTELLATION FOR YOU BOTH.

OMEGA

Omega — Official Timekeeper of the Olympic Games, Calgary and Seoul 1988

# Violence

Hardly a day goes by without some form of violence being reported in the news. The latest example is the shooting of a young man, 21, by a police officer in the Bronx. The man was shot in the back while running away from the officer. The officer said he was trying to arrest the man for a minor traffic violation. The man was taken to a hospital and is in critical condition. This is the latest in a series of incidents that have raised concerns about police brutality in New York City.

## WORLD BRIEFS

### Declares His Cause

As the world's most powerful nation, the United States has a responsibility to lead the world in the fight against terrorism. President Reagan declared his cause today, stating that the United States will not be intimidated by the actions of a few extremists. He said that the United States will continue to support the free people of the world who are fighting against oppression and tyranny.

### Morocco for UN

The United Nations Security Council has agreed to accept Morocco's offer to mediate in the conflict between Morocco and the Polisario Front in Western Sahara. The council's decision is a significant step towards a peaceful resolution of the conflict. Morocco has long been a vocal supporter of the United Nations and its efforts to maintain international peace and security.

### in Italian Plane

A group of Italian soldiers were killed today when their plane was shot down by a missile. The plane was on a mission to deliver humanitarian aid to a conflict zone. The soldiers were killed in a surprise attack by a rebel force. The incident has raised concerns about the safety of humanitarian missions in conflict zones.

### Match Ends in

The match between the United States and the Soviet Union ended in a draw. The game was a closely fought affair, with both teams showing great skill and determination. The result is a relief for both sides, as they had both been expected to win.

### GAME 1

#### NEW ENGLAND DEFENSE

Player	Rank	White
1. [Name]	1st	White
2. [Name]	2nd	White
3. [Name]	3rd	White
4. [Name]	4th	White
5. [Name]	5th	White
6. [Name]	6th	White
7. [Name]	7th	White
8. [Name]	8th	White
9. [Name]	9th	White
10. [Name]	10th	White

### VEL UPDATE

#### Offers Suits in 1st

The first round of negotiations between the two sides has ended with a tentative agreement. The agreement calls for a ceasefire and the withdrawal of troops from the conflict zone. It also calls for the establishment of a peacekeeping force to monitor the ceasefire. The agreement is a significant step towards a peaceful resolution of the conflict.

### go Cancer

A new study has found that a diet rich in fruits and vegetables can help reduce the risk of cancer. The study followed a group of people over a period of 10 years and found that those who ate a diet rich in fruits and vegetables had a lower risk of developing cancer than those who ate a diet low in these foods.

ALDO FALLAI



**GIORGIO ARMANI**  
6, Place Vendôme, Paris

# Herald Tribune

Published With The New York Times and The Washington Post

## Why the Bull Took a Fall

Through most of this year, the stock market and the foreign exchange market have been marching to very different music. The stock market has been full of pep and optimism, stepping smartly along to drums and bugles. The foreign exchange market, in great contrast, has limped along in constant fear of pitfalls and ambushes. Now, for the past couple of days, the two markets have been converging in spirit and outlook — at the expense, unfortunately, of stock prices.

It started with the publication of the U.S. August trade deficit, a much higher figure than most people expected. Foreign exchange traders saw that there was no real improvement in the imbalance that is flooding their markets with the dollars being earned by other countries' exports to the United States. If foreigners do not buy those dollars for investment purposes, the law of supply and demand will take over, and the dollar's exchange rate will drop once again. Still, people in the markets know that the U.S. government has promised to prevent that drop, they assume it will have to do what it can to make the dollar more attractive to those foreign investors. That means raising interest rates. Higher interest rates mean falling profits for business, and that is the prospect to

which the stock market has been reacting. Why didn't it happen earlier, when the even higher trade deficit for July was announced? Monthly statistics are notoriously unreliable, and perhaps people were waiting for confirmation. On Tuesday they got it.

These numbers also give ominous weight to the warnings of some experienced watchers that devaluing the dollar will not alone cure the U.S. trade deficit. If the dollar is not to fall much further, America will have to use other methods to control that deficit.

U.S. consumption levels will have to come down. The Reagan administration's great consumption boom, fed by its budget deficit, will have to end. If the country does it purposefully, the pain will be slight and widely distributed. If involuntary, the result will be what is known as a recession.

For all the tremendous losses that the falling market represents, it may serve one deeply useful purpose. It may succeed in persuading many influential Americans that the domestic economy cannot be insulated from the international markets, that the American deficits are a real and imminent threat to American prosperity, and that remedies cannot safely be postponed until another president has taken office.

— THE WASHINGTON POST.

## Gorbachev Finds the UN

If his words have meaning, Mikhail Gorbachev is recasting Soviet policy toward the United Nations. Oratorically at least, he has seized the high ground once virtuously held by the United States. He talks of investigating the Security Council and the World Court, of using peacekeeping forces in regional conflicts and establishing a UN tribunal on terrorism. And Thursday, Moscow declared it would pay all its overdue UN bills, including \$197 million for peacekeeping operations it long opposed.

These moves are a piece with Mr. Gorbachev's dextrous probes on other fronts. Astutely, he is pushing these ideas just when Congress is behaving like the sour Soviet scrooge of years past, slashing its agreed UN dues and berating the world organization for being a world organization.

The United States is now the outstanding delinquent, owing \$414 million, which includes \$61 million for peacekeeping. For all its past UN-bashing, the Reagan administration is not principally to blame. The culprit is a Democratic Congress.

Regrettably, this gives America little basis for pressing Mr. Gorbachev to give content to his glittering but nebulous proposals. It sounds fine to propose an international force in the Gulf, but Soviet diplomats decline to say what authority its commander would have if attacked by, say, Iranians. Equally vague is Mr. Gorbachev's call for "a comprehensive system of international security" to

protect all countries from outside interference. Does that mean Moscow would cease arming Sandinistas if Nicaragua's borders were sealed by an international force? How would this work in Afghanistan?

Experience argues powerfully for skepticism. Nikita Khrushchev bitterly opposed UN peacekeeping in the Congo and refused to contribute a kopek to a 1960 military operation he accused of favoring Western interests. Over and over, the Soviet Union — as well as the United States — has intervened in Third World conflicts. Yet Mr. Gorbachev now seems to be saying it is wrong for superpowers to meddle.

Can he be serious? What does he mean in saying the Security Council's permanent members could become guarantors of regional security? Or when he proposes a drastic expansion of global cooperation to uproot terrorism under the aegis of an international tribunal? It could be so much eyewash.

Still, a Soviet Union intent on domestic reform may be eager to find face-saving ways to get out of foreign quicksands. Southern Africa's impoverished front-line states, where Pretoria is the main beneficiary of superpower rivalry, might be the most promising focus for testing Mr. Gorbachev's intentions. But before any U.S. administration is in a position to explore the seriousness of Soviet proposals, Congress has to match Soviet financial seriousness at the UN.

— THE NEW YORK TIMES.

## Poland Reaches for Reform

Desperation, as much as the Soviet example of reform, spurs the far-reaching economic moves announced by Poland last week. Six years after crushing the trade union Solidarity, Poland remains mired in the same economic swamp that spawned past protest movements. Price structures remain irrational, coordination between centralized productive units poor and worker morale and productivity minimal.

One newer element now adds powerfully to the pressure for change: the growing external debt. Significant relief is unlikely to come from institutions like the International Monetary Fund without serious economic reforms. Meanwhile the Soviet Union under Mr. Gorbachev has become a model for, and not an obstacle to, change.

The Jaruzelski government's bold program of decentralization and devolution promises to throw the Polish economy open to market forces. Food prices would surely rise. Bankruptcies would abruptly close inefficient enterprises. Although Warsaw pledges to maintain living standards and full employment, more detached observers

are expecting plenty of short-term pain. A generation ago, Janos Kadar introduced a liberalized consumer Communism to console Hungarians after their revolution's bloody defeat. Now, while he struggles to maintain his contradictory hybrid features, Bulgaria and Czechoslovakia have begun to move down a broadly similar path.

Poland, with what is still the most organized workers movement in the Communist world, has now jumped to the front of the reform league, at least on paper. More than anywhere else, its reform plans will somehow need to win the active cooperation of a still-disaffected, and disillusioned, working class. Next month's referendum, with no option to vote against the reforms, will not represent a real test of popular support.

Winning over the workers will depend on the Jaruzelski regime's agility and good faith in implementing the plan. Poland's sorry and sobering recent history leaves plenty of room for skepticism. Its present desperation and Moscow's support leave open at least the possibility of success.

— THE NEW YORK TIMES.

## Chaos, Conspiracy or Both?

Yves Volel, a candidate for president of Haiti, was not only assassinated. He was assassinated in front of the police headquarters in Port-au-Prince by men who, witnesses said, seemed to be plainclothes policemen.

He is the second political figure to die in this campaign. Two months ago the leader of one of the smaller parties was hacked to death in a rural village. But the violence of July and early August then diminished. This latest crime is a very bad sign.

There are two views on all this. One holds that the widespread bloodshed in Haiti reflects the chaos in a country where police and soldiers are poorly trained and badly frightened. Because of their association with the Duvalier family's long dictatorship, they are on the defensive; they react excessively to any challenge. The provisional government under Lieutenant General Henri Namphy exercises little control over its own forces.

The alternative view is that, while Jean-Claude Duvalier has fled to exile, most of the Duvalierists — those who supported him and were supported by his regime — remain in Haiti. They are now at work, many Hai-

tians charge, fomenting bloodshed to create a climate of intimidation in which the presidential election set for late next month will be meaningless. If it takes place at all.

Perhaps those charges are overdrawn. But it is true that a country does not become as deeply impoverished as Haiti by any natural process, or by the mere absence of good government. Its destitution is the product of a tradition in which a few people have become rich through a system of monopolies and privileges that have kept the rest of the country bitterly poor — and that system is now threatened by the prospect of democracy. Which explanation, chaos or conspiracy, is correct? Perhaps, to some degree, both.

Fortunately, there are courageous and determined Haitians to defend the cause of democracy and the election process that is now coming to a climax. One useful thing that Haiti's friends and neighbors can do, and are doing, is to send observers to watch the final stages of this campaign and the voting. Any election benefits from the presence of a large and vigilant audience.

— THE WASHINGTON POST.

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## OPINION

## Thatcher's Opposition Stumbles On

By Flora Lewis

LONDON — The rule of Prime Minister Margaret Thatcher has become so firm, so unshakable that even some Conservative supporters are coming to bemoan "the lack of any real opposition."

The political party conference season has ended and it made clear that nobody else has any ideas that could mount an effective challenge. This is something of a sea change in power: Britain, or rather it marks the recognition at last by Mrs. Thatcher's opponents that she has been much closer to the nation's shifting mood and ambitions than they imagined.

The Alliance of the Liberals and Social Democrats is flailing and seems doomed to the margin. It was an experiment whose time hadn't come and whose leaders could not make it come.

That leaves the Labor Party, battered with tradition, hoarse with slogans emptied of resonance, mired in a bog of still militants and stout unionists fighting for position while voters wander off to more inviting pastures. There is a certain parallel in the silliness of Labor and the silliness of American Democrats. Both parties succumbed to the illusion of being more responsive to grass roots by changing their rules and reducing the role of the professional politicians. The result did not make either one more democratic. It enhanced the power of activists less attuned to the real moods of voters than the people who struggle to get elected.

A major difference just now is that Labor does have an anxious leader in Neil Kinnock, a skilled and strong personality. But he is caught in ambiguities — on defense, on taxes, on nationalized industry, on whether Britain. He is trying to weed out the flaming radicals and steer the party around, though without any sign yet of where he wants to go and whether he can get there.

In that sense he is compared to the Soviet leader, Mikhail Gorbachev, who is trying to move a deeply entrenched bureaucracy, people who have emotional and cultural reasons, as well as reasons of power, for clinging to things as they are.

It is intriguing to ask why Labor is hanging on to old socialist dogmas when the leaders of so many Communist regimes are admitting the tatters. In part, the answer is institutional. The Labor Party is based on the unions and on a fierce sense of class. As its deputy leader, Roy Hattersley, said: "Union members have come to see their organization as a vehicle for individual demands, like Americans, not as the sword of a class movement. Class cohesion is dissolving."

For the first time, a graph would show the lines of increasing numbers of shareholders and declining numbers of union members about to intersect, at some 9.5 million. At the recent party conference, where rules permit union delegates to cast votes equal to their total registered membership, more union votes were cast than Labor's total in the national election.

Party leaders admit they got only a minority of union and young skilled workers' votes. "Our natural supporters," one lamented, "have come to think Labor is against success."

Mimicking one of the dimmed firebrands, Mr. Kinnock told the conference: "What are we to say to a dockworker who has a house, a microwave and vacations in Marbella? Let us take you out of your misery, brother."

But in part Labor's abysmal failure is due to some fundamental changes in attitudes and social assumptions. It is also because of the fading Marxist, collectivist vision, though Labor was never so much Marxist as unionist. Lenin denounced its brand of socialism as "laborism" because it relied on organizing workers in unions rather than on his Bolshevik technique.

No new ideas have been found to replace the ringing appeals that once mobilized the faithful. Labor optimists say they will work some up before the next election; they will recapture the theme of freedom by stressing freedom to use social services.

Outsiders chuck and note that the electorate is not likely to go for just "Thatcherism with compassion" when they are offered the real product.

One observer said Labor had gone Micawberish, relying on the hope that "something will turn up."

The temptation should be resisted to draw broad implications for America. The countries have very different social histories. British eyebrows lift, not in admiration, to hear that America produced 23 new billionaires last year. But the British case is another example of how an idea went out, or was overtaken by a changed society.

The New York Times.

## America Can't Keep Waiting for the Dollar to Do It

By Paula Stern and Paul A. London

WASHINGTON — The dollar has been coming down since September 1985. As a result, America's trade deficit is stabilizing but not falling, with dramatic impact recently on the stock markets. Of course it was right to bring the dollar down; even efficient American manufacturers had little chance to compete when it was so grossly overvalued. But there are other important things that need to be done to ensure that a more reasonably priced dollar solves the U.S. trade deficit problem.

Ironically, a "stand pat and wait for the dollar to work" position is being taken by some of America's best known liberal economists as well as the Reagan administration. This is better than talking the dollar up, which is what President Reagan was doing until his administration made a 180-degree turn in September 1985. It may even be better than pushing the dollar lower and risking recessions overseas and upward price pressures at home. But despite its admission that 1987 will see a seventh record-breaking year for the U.S. trade deficit, the administration is offering no policies other than a lower dollar to deal with the deficit problem. That is a risky policy.

Standing pat on the dollar is not enough, and a look behind the figures in the U.S. trade deficit tells why. The numbers show several important American industries becoming increasingly uncompetitive even when the dollar was weak in the late 1970s. A weak dollar alone will not turn them around. Take the example of automobiles, with more than two million imported in 1979. Or energy, with imports of about two billion barrels of oil in 1980, when oil prices were around \$30 a barrel. Steel is a third example, protected by "voluntary quotas" for years and since the whole time. Electric appliances were a fourth, as U.S. companies gave up foreign markets through the 1960s and 70s.

The Reagan administration has never had the will or inclination to push these sectors of the economy to conduct themselves as if they were not protected by their own government. On the contrary, when several uncompetitive industries have pressed for protection against imports, the administration, violating its own free-trade principles, has given it to them. The auto industry got "voluntary restraint" agreements with Japan in 1981 that remain in effect. The carbon steel industry competes with the help of a score of bilateral restraint agreements announced just before the election in 1984. The oil industry is threatening to petition for import relief, though a plausible level of relief will significantly affect imports. But the administration has no plan other than a weaker dollar to

encourage these industries to be more competitive in world markets.

Consider automobiles, by far America's largest trade deficit item. In 1986 the United States imported almost \$60 billion more than it exported in autos, trucks and auto parts. Many of these imports came not from low-wage countries but from high-wage ones such as West Germany and Sweden. And imports from Japan are fueled more by their quality than by their cost.

The U.S. auto industry does not lack the profits to invest. It would be sensible to ask this industry to do what the West Germans and the Swedes do — not only compete with the Japanese and win back market share at home but export in large volume. Why not a goal to reduce the trade deficit in autos by \$20 billion over the next five years? It is astounding that no one in the Reagan administration or outside it has suggested that the recent labor-management negotiations in the auto industry ought to have been focused on this.

And what about steel? The trade deficit in steel is about \$10 billion per year. It is an industry with too much

capacity in many countries, but in the United States profits have improved, thanks to the weaker dollar. The industry, however, is doing better by holding prices up and even raising them, not by setting a goal for itself of reducing imports. And this is not the worst of its sins. An International Trade Commission study of the president's carbon steel import restraints figured that the resulting higher steel prices would cost other U.S. industries more than \$15 billion in lost exports during the five-year life of the government protection plan.

Dealing with the \$40 billion to \$50 billion annual trade deficit in the energy industry is a different question. Here America is a high-cost producer, and there may be no way to lowering costs drastically. But better energy policies could cut the import bill by substituting domestic natural gas, which has been in surplus for five years, for foreign oil. What has prevented this is the failure to move to deregulate gas pipelines.

U.S. oil imports might be cut still more if the country had the will to adopt some of the programs several European countries use to encourage

conservation. There could be more burning of coal in the kind of modern facilities other countries insist on. Significantly higher gasoline taxes would encourage the development of even more efficient cars. Tougher construction standards would reduce fuel consumption. Would this cost Americans competitively or lower their living standards? Not if West Germany and Sweden are examples.

While waiting for the lower dollar to help, other things must be done, and quickly. The high-cost sectors of U.S. industry need to be pushed by government to set targets for reducing their drag on the economy. They have escaped criticism too long. The question is not what the government can do to protect these industries at home. The fallen dollar gets them back to work. The question is what it can do to push these industries to pull their own weight in the world market.

Paula Stern, a senior associate at the Carnegie Endowment for International Peace, chaired the U.S. International Trade Commission from 1984 to 1986. Paul A. London is an economic consultant. They contributed this comment to The Washington Post.

## Arms Treaty: Europe Could Slip in the Door

By Enrico Jacchia

ROME — West European nations might yet become involved, albeit indirectly, in concluding the U.S.-Soviet agreement on intermediate-range nuclear forces. For now, such a role is merely an idea being kicked around in European capitals. But in the Geneva negotiations to work out details of INF verification, the Europeans have an unexpected opportunity.

U.S. and Soviet negotiators there have agreed in principle on the number of inspections (reportedly 15) that each side would be allowed to conduct annually at bases where nuclear missiles might be stored. In Europe, the U.S. cruise and Pershing-2 missiles in question are in Britain, West Germany, Italy, Belgium and the Netherlands.

The Italian government has let Moscow and Washington know that it is ready to receive Soviet inspectors at the INF nuclear base at Comiso, in Sicily, to witness the dismantling or removal of cruise missiles there. But a bilateral protocol is needed to specify the terms under which Soviet officials will be allowed on Italian soil.

The rules for on-the-spot verifica-

tion will be substantially the same for the five European countries concerned, with perhaps some special rules for Britain because of its status as an independent nuclear power.

What could be more reasonable than that the European allies and the United States on the one side, and the Soviets on the other, negotiate the European verification protocols to be signed bilaterally by the various governments? That would give the West Europeans a role in the INF negotiations, which are of such enormous importance to their security. Indeed, criticism of the treaty within some European governments and military establishments has focused precisely on the exclusion from the INF process.

Everyone knows, of course, that the crux of the matter has been decided in Moscow and Washington. But symbolic values such as national pride carry great weight here on the Old Continent.

What are the foreseeable risks of such an initiative?

The Russians reportedly have

requested that inspections be allowed not only at the bases where the missiles are officially stationed, but at any site where they could be secretly stored in the European host countries.

The United States has opposed such a move on the ground that it would allow the Russians unrestricted access to areas in which they could gather valuable intelligence. But the Soviet Union might be tempted to raise the proposal again in talks with the European countries in which pactist and leftist movements are strongest.

The Europeans, similarly worried about intrusive visits by Soviet inspectors, also might be tempted to introduce "technicalities" during verification talks with the aim of causing endless delays. That would please the foes of the treaty but run counter to public opinion.

On the other hand, the United States and Soviet Union might decide to limit strictly the scope of the bilateral protocols on verification.

Overall, the benefits of West European participation might well outweigh the limited risks.

International Herald Tribune.

## Yes, There Are Better Ways to Choose a President

By William Pfaff

NEW YORK — The conviction is becoming widespread that something has gone terribly wrong with the way Americans choose their presidents, and that this must change.

Instead of searching for leadership among the senior figures of American national life, among people who have demonstrated a capacity to lead and a knowledge of national and international affairs, the Democratic Party is trying to make a choice among junior and largely unproven men.

The Republican Party is superficially in a better condition. Vice President George Bush has failed to elicit prairie fires of enthusiasm but he does have wide experience and has served with competence in a number of high offices. The questions about his candidacy have to do with moral courage, not with his more conventional qualifications. Senator Bob Dole is a major and respected figure.

Yet if one compares the political process in the United States with that of other mature democracies, it must seem odd that such eminent Republicans as Secretary of State George Shultz and Defense Secretary Caspar Weinberger are not being considered for the presidential nomination.

They have not, of course, put themselves forward and might not accept a nomination if offered. But if America confused its affairs as often as democracies do, they would be among those most influential in selecting the Republican candidate.

In fact, they are virtually without influence in the matter. The Reverend Pat Robertson will have more effect on the nominating process, and probably on the Republican platform, than the senior cabinet figures of the outgoing government. That is a strange way to run a country.

On the Democratic side, something like a burlesque of democracy is being performed by the five survivors, in eager collaboration with the press. Many in the press recognize that the media bear an unprecedented responsibility in a situation where largely untested candidates are again competing for the presidency. Yet the practical result has been obsessive attention paid to the "character issue," which too easily turns into a form of sensationalism.

Americans are learning more than they perhaps want to know about the

marital infidelities, oratorical larcenies and lapses in judgment of these people but still don't know much about what they think, or whether they even can think when they are apart from the promoters, handlers and phrasemakers surrounding them.

Gary Hart was right to complain that he could never get the press to pay much attention to the serious position papers he put out.

In parliamentary systems, political leaders work their way to the top by way of junior and then senior cabinet appointments. That is not the American way, but it also has not before been the American way to choose presidents under the influence of television and a reformed primary system.

The effect of those two innovations has been to exclude from the presidential race people who are doing serious things in public life, who bear national responsibilities, and who are unable or unwilling to submit to the two-year personal ordeal the presidential race has become.

Something must be done to bring the campaign season back within rational limits, and to recreate the possibility for the parties to choose those who have better qualifications for the presidency than simply winning it.

This certainly will mean restoring power to party leadership and party conventions. It could mean giving senators and congressmen formal roles in party leadership and at the conventions. Television advertising must be limited, and equitably financed from public funds, or the broadcasters must be required to supply air time.

At present, usually, there is a sense of inevitability about the way the United States does things, assuming that this must be best way, or the only

way. It is not the only way. People in the allied democracies are increasingly perplexed that Americans choose to run their country this way. There is a mounting sense that this is perverse and irresponsible conduct.

But there is alienation and apathy at home, as shown by the low rates of voter participation. There is no reason Americans have to go on haphazardly selecting the president by a process that amounts to the old smoke-oil swindle, with the citizenry in the role of rubes. America cannot afford it.

International Herald Tribune.

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## 100, 75 AND 50 YEARS AGO

### 1887: Socrates — Yes

PARIS — [From The Herald's "Personal" column of Oct. 17.]

J.N. — Nothing further to add. To those able to read between lines please state matter purely private. There will be letters for Mrs. Jones to forward in her husband's absence. No sleep for three weeks. How long I sometimes ask, is this to last.

Lilly — Meet me this evening at the Seine, side of the Arc de Triomphe, at four. Don't fail me. Stump — You are a little fiend to write such an unkind letter. However, under the circumstances, I forgive.

Socrates — Yes.

Will the lady who got into the Richmond train at Victoria on Monday communicate with the gentleman who sat opposite her? He will travel by the same train next Monday.

### 1912: A Diaz Returns

NEW YORK — The troops, police and marine corps stationed at Vera

### 1937: Help for Nanking

NANKING — The Eighth Army, the Communist army, which joined forces with Nanking recently, has struck in north Shansi, according to an announcement here. The Communists have cut off 50,000 men, forming the advance forces of the Japanese army, from their base of supplies. These Japanese troops were said to be facing annihilation.

SHANGHAI — Seven hundred Japanese were killed or injured in Japanese bombing attacks on Kweichow and Wuchow today.

## OPINION

## When the UN Bashes Israel, Glasnost Turns Up Missing

By A.M. Rosenthal

NEW YORK — There is such a large measure of hypocrisy, falsehood and double-dealing in the relations among nations that we hardly notice when one more case crops up. That's life, so just walk on by.

Dictatorships call themselves democratic republics. States that live by terrorism talk about the principles of freedom. Nations engaged in cutting each other's economic throats make solemn pronouncements about free trade. Ambassadors from countries that routinely torture their unfortunate citizens are invited to dinner and called Your Excellency.

Simply in terms of volume, the world center of diplomatic hypocrisy is the United Nations. This is not because the principles of international cooperation and the organization that was founded upon them are worthless and should be put in the garbage can of history.

The dream, the ideals and the Charter of the United Nations conferred grace

sia, not even puppets, just provinces. Of about 30 Muslim states throughout the world, only Egypt votes for Israel's right to membership. East Germany can always be counted on to vote against the

## ON MY MIND

Israeli villain as can such opponents of Israeli imperialism as Vietnam, Cuba, Zimbabwe and, of course, Nicaragua. India wiggles out by abstaining, as do China and Turkey. Twenty-five countries, including the East Europeans, do not show up at all. At the United Nations, abstaining or hiding out on the Israeli vote is called bravery.

But this year, for the first time, there was hope that the Soviet Union would concede that Israel was as worthy of membership as, say, Libya or Democratic Kampuchea. This was not just because of the emanations of glasnost. Nobody at the UN is naive enough to believe that glasnost is quite yet the basic of Soviet foreign policy.

The hopeful hoped because Moscow was talking about an international peace conference on the Middle East and about an increased role in the world for the United Nations. It did not seem entirely logical that the Kremlin, so keen on finding a key role for itself and the UN at a Mideast peace conference, would begin the new era by voting to kick Israel out of the UN Assembly.

That vote could eliminate any Israeli interest in the very idea of such a conference. It also would hurt Foreign Minister Shimon Peres of Israel, who is pushing for a peace conference with Moscow attending, and the American Jewish Congress, which supports him.

But the Kremlin did vote against Israel and did not bother to explain its action. Really, explanations are not necessary. Moscow knows the outer of Israel would utterly destroy the UN because part of the civilized world would leave also. But it knew that there would be a majority of about 80 who would vote against the Israel-haters and the absent or abstaining heroes.

If and when Moscow decides it has sweated Israel sufficiently, or gets a big enough role in the Middle East or some other advantage, then it will demonstrate its growing contempt for Arab power by conceding that Israel should be in the UN after all. Then the world will cheer this act of Soviet nobility and change.

Mikhail Gorbachev, who has already demonstrated a sense of humor, should get a chuckle out of that. He knows that glasnost is important but that Soviet self-interest is more important and that the two do not necessarily coincide.

And, after all, what's a little hypocrisy among nations? Just walk on by.

The New York Times



## LETTERS TO THE EDITOR

## Bork's Approach Is Right

Thank you for printing the parallel editorials from The New York Times and The Washington Post (Oct. 6) on the Bork nomination. It was interesting to compare the sneering of The New York Times with the reasoned, sad tone of The Washington Post. But in the end The Post reached the wrong conclusion.

It observed: "Many of the nation's clearest and ugliest inequities have been mitigated only because judges used that elasticity to deal with issues that, for various reasons, the other branches would not." Perhaps, but it is not clear that this is the way things should have gone, and certainly it is not the way things should be now, because many of the clearest and ugliest abrogations of democratic government have come from judges usurping the power to impose policies that they have neither the authority to create nor the skill to administer.

Creating and administering law should be left properly in the hands of the legislative and executive branches; judicial restraint is badly needed. A judge like Robert Bork is just what is needed on the Supreme Court today.

JOHN CUTHBERTSON, Abingdon, England.

## At a UN Lunch in Geneva

Kenneth Daddie, secretary-general of the United Nations Conference on Trade and Development (UNCTAD), was much amused by the item *European Topics*, Oct. 9) stating that he was 44 minutes late for a meeting of the organization's Trade and Development board, and that he postponed the second part of his speech until after lunch.

Mr. Daddie was at the meeting on time, in plain view of all the 100 or so persons in the room. The delay was due

to the absence of group coordinators, without whom the meeting could not begin. And the president announced at the start of the meeting that, because of the late hour, he had asked Mr. Daddie to make one part of his statement before, and the other after, lunch.

EUGENE K. ADOBOLI, Chief, Information Unit, UNCTAD, Geneva.

Editor's Note: The item was based on a Reuters dispatch that was written by a correspondent present at the meeting.

## Malaysia's Death Penalty

Regarding "Malaysia's Death Penalty" (Letters, Sept. 22) from Patrick Husead:

The illicit use of drugs has reached epidemic proportions in Malaysia and threatens to sap the energy of the country. The problem is not merely a social one but more urgently a security problem, hence the need for harsh legislation. We make no apology for the death penalty. The Malaysian Parliament has debated the issue thoroughly and arrived at a considered decision.

Malaysia has sought to persuade the international community, particularly through the United Nations, to view the drug problem from the political and security perspective. Our efforts met with recognition when Prime Minister Mahathir bin Mohamad was elected by acclamation in June as president of the International Conference on Drug Abuse and Illicit Trafficking in Vienna.

DATUK ISMAIL AMBIA, Ambassador of Malaysia, Paris.

Mr. Husead denounces the laws of Malaysia as barbaric but says he is not opposed to "reasonable" sanctions for drug trafficking. As a doctor who has

practiced medicine here for 28 years, and who has witnessed the appalling misery generated by heroin trafficking, I am glad the Malaysian authorities have taken a stand. Anyone coming to Malaysia is told on the aircraft intercom before landing that the penalty for trafficking is death. The landing card carries the same message, and there are huge notices outside the airport.

Anyone who, despite these warnings, chooses to come here and buy heroin has no excuse, and it is a twisted arithmetic logic that denies the right of a sovereign state to administer laws so clearly expressed and that carry the overwhelming support of the population. We have had "reasonable" sanctions before, and they did not work. The "unreasonable" sanctions that we now have do work.

D.C. WILLIAMS, M.D., Kuala Lumpur.

## The Demand for Au Pairs

I take strong exception to the comments of Camille Pisk, vice consul at the American Consulate in Munich, regarding your advertisement for au pairs (Letters, Sept. 29).

She is probably genuinely concerned for the well-being of foreign students in the United States, and no one can deny that there are occasional abuses of the au pair system there (as there are in France, West Germany and elsewhere). But the claim that this deprives Americans of employment is baseless. The increase in the number of working couples has left many people desperate for responsible child care. And while many parents want their children to be exposed to foreign languages at an early age, few Americans speak foreign languages.

BARBARA J. BUSHARIS, Croton-on-Hudson, New York.

## Excitement, Phooey; a Seat On the E Train Would Do

By Howard Kurtz

NEW YORK — When you no longer notice the singing beggars on the subway, the verbal abuse in the streets, the endless elbowing as you walk down Madison Avenue, the garbage, the gridlock, the gum-cracking grocery clerks who act as if they're doing you a favor by taking your money, then — and only then — are you a certified New Yorker. I guess I don't qualify yet.

When I arrived, I complained a lot about the traffic backups at every river

would study the problem. Unlike those in other cities, subway cars in New York are specially designed to allow trains to depart while human body parts are wedged between doors, holding them open as much as three to four inches (about 90 millimeters). Otherwise, officials say, people would forever be pushing their way in, and the trains would never leave. We couldn't have that, could we?

Not long ago, Orma Lewis, 51, visiting from Los Angeles, boarded an east-bound G train in Queens, unaware that it had made its last stop at 1:57 P.M. No conductor bothered to tell her as the train pulled into a dark tunnel for a layover. As her story was recounted by The Daily News, Mrs. Lewis, finding the doors locked, climbed out a window and onto the tracks, where she risked electrocution, ran along the catwalk and climbed a staircase to what turned out to be an emergency exit onto Queens Boulevard. Being an out-of-towner, she will probably complain.

But there are some advantages to living in New York. Have you ever had difficulty with curt and unresponsive bureaucrats in city hall? We don't have that problem. Nobody in the New York City government below the level of police commissioner ever answers the phone. It either rings endlessly, or you get a recording telling you to wait for the first available representative, who never picks up. Sometimes you get a different tape saying the number is not in working order.

Even the Green Book, an insider's directory, is useless, because most agencies have changed their numbers, and the rest list the main number at City Hall, which is always busy, because Mayor Ed Koch is always on the phone.

There are also the cultural advantages. In my neighborhood, nearly every block of shops includes one with a big sign that says "NAILS." I'm sure there is a place or two in most cities where a woman can have her nails done, but these places are everywhere here, and they're packed: row after row of women having red or purple polish applied to their elongated fingernails — \$10 for a manicure and pedicure, \$30 for silk or linen tips. The places smell like turpentine, lacquer, and most manicurists wear surgical masks.

After hearing some of my gripes, some New York chauvinists here became a bit defensive, saying I was simply feeding every out-of-towner's anti-New York bias. After all, they argued, what about the diversity, the excitement? Where else can you get a hamburger at 2 A.M.?

You know what? I don't care about eating a hamburger when everyone else is asleep. I'd settle for a haircut under \$25 and an occasional seat on the subway.

The Washington Post.

## GENERAL NEWS

## Some Jews Irked by a Jackson Interview

By Paul Taylor

WASHINGTON — The Reverend Jesse L. Jackson has given an in-depth interview to a liberal Jewish magazine intended to mend his troubled relations with Jews, but some Jewish activists who have read it say it may exacerbate his problems.

The activists saw a pre-publication copy of the interview, which is to be published in the forthcoming issue of *Tikkun*, a bimonthly with a circulation of 40,000.

In it, Mr. Jackson, a Democratic candidate for president, criticizes Israel for providing military and economic aid to South Africa, compares the Pretoria regime to Hitler's Third Reich, and says it was "unfortunate" that some Jewish

groups had taken a lead role in opposing affirmative action policies.

He also shied away from directly repudiating Louis Farrakhan, the Black Muslim leader, although Mr. Jackson has made clear in other forums that Mr. Farrakhan will not be a part of his 1988 campaign, as he had been for a time in 1984.

Hyman Bookbinder, special representative for the American Jewish Committee, said: "My impression is that this interview is going to be troublesome because I think it reflects the ambivalences and ambiguities that continue to surround these issues with Jesse Jackson."

"I do believe he genuinely wants to make peace and get along with the Jewish community," Mr. Bookbinder said. "He nevertheless has

certain problems with Jewish policies and behavior that he can't shake off, and in a probing interview, these come to the fore."

Other Jewish leaders, and Mr. Jackson himself, said he had been making an effort during the past two years to sensitize himself to the Jewish perspective, and they fault Jews who are unwilling to give him a fresh hearing.

Mr. Jackson, commenting Wednesday in a separate interview, said: "The bottom line is that I have reached out fervently to build bridges and will continue to do so. But my appeal is that, as we seek to build a relationship, we cannot keep pulling the skin back to see if the wound has healed."

In 1984, Mr. Jackson's association with Mr. Farrakhan who had called Hitler a "great man" and Judaism a "gutter religion," his references to Jews as "Hymies," and his meetings with Yasser Arafat, the leader of the Palestine Liberation Organization, led many Jews to say he was anti-Semitic, anti-Israel, or both.

Mr. Jackson has said repeatedly that he is neither, and he noted that in the past two years he has sought numerous fence-mending sessions with Jewish leaders, raised the subject of Soviet Jewry with Mikhail S. Gorbachev when the Soviet leader and Mr. Jackson met in Geneva, visited a concentration camp and developed a deeper understanding

of the Holocaust as a "body of experience unique in history."

In the *Tikkun* interview, Mr. Jackson made these other points:

- He said he supports "Israel's right to exist within secure boundaries." He also supports a "homeland or state" for the Palestinian people, normalized trade relations with Arab nations and an expansion of the Camp David peace process to include other Arab nations, including a representative of the Palestinians.

- Denied criticizing only Israel for selling arms to South Africa, noting that "I contacted the embassies of France and Germany and Britain as well."

- He said that "there's been an overreaction to Farrakhan, as if Farrakhan had state power. He does not. So there is a certain exaggeration in the reaction."

- Michael Lerner, the editor of *Tikkun*, who conducted the interview, said he had hoped Mr. Jackson would use it to "give himself a clean slate," adding: "It's sad, but it hasn't happened." The interview, he said, demonstrates "an insensitivity to the oppression of the Jews."

- "But I have compassion for him," Mr. Lerner said. "Oppressed people get so focused on their own oppression, it's hard for them to understand the oppression of others. Jews have been guilty of the same thing."

## Stealth Plane Is Said to Crash During Test Flight in Nevada

By Michael R. Gordon

WASHINGTON — A Stealth aircraft, designed to elude radar, has crashed at an air force base in Nevada, according to government officials.

The officials, who declined to be identified, said Thursday that the plane crashed Wednesday night at the Nellis Air Force Base, a 3-million-acre (1.2-million-hectare) expanse of desert and mountains about 100 miles (160 kilometers) north of Las Vegas.

The Pentagon declined to confirm that a Stealth aircraft had crashed.

"There is a plane that is missing," a Pentagon spokesman said. "That is all we are saying."

Government officials would not provide additional details about the aircraft or the fate of the pilot. The air force has been reported to maintain dozens of Stealth fighters

at a remote base in the Nevada desert near Nellis.

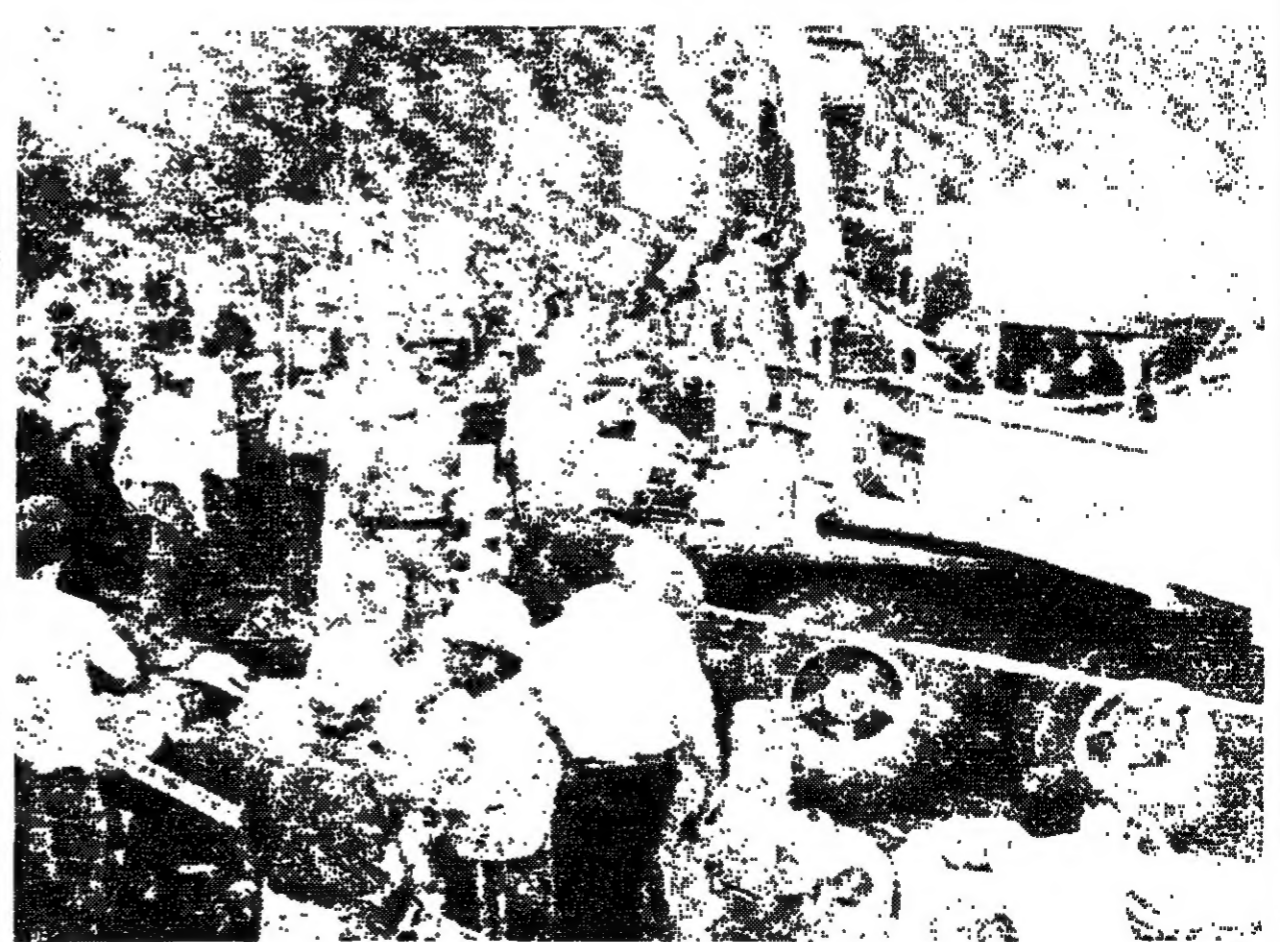
Air force officials at the Nellis base said that the plane that crashed was last tracked on radar at 8:45 P.M. Wednesday. Crews were searching for the craft, they said.

In July 1986, a Stealth fighter crashed in the Sequoia National Forest in California. After that crash, the Air Force sealed off the area and the airspace near it.

It is not unusual for advanced military planes to crash in test programs and training. Because of the unusual secrecy surrounding the Stealth program, it was difficult to determine whether the crash was an indication of problems with the aircraft.

The aircraft, which was developed by the Lockheed Corp., relies on a variety of technologies to make it less detectable to radar. The details of the Stealth technologies are secret.

## AMERICAN TOPICS



RESCUERS WORK 'AGAINST TIME' — Observers and rescue workers around an abandoned well shaft in Midland, Texas, where Jessica McClure, an 18-month-

old girl who fell in the well Wednesday, is trapped. "We're working against time," said one of the rescuers, who are drilling an adjacent shaft in an attempt to reach the girl.

## Plan for L.A. Schools Has Little Precedent

Los Angeles' plan to put its schools on a year-round schedule has little precedent in other countries, The New York Times reports.

Experts say most countries in the Northern Hemisphere have school years that begin in September and run into or through June. Those in the Southern Hemisphere begin in February.

"I'm not aware of any developed country where schools operate year-round," said Harry Judge, director of education studies at Oxford University. "Teachers expect the summer off and families want flexibility in their vacations."

In Japan, however, the summer vacation lasts only six weeks, and since it occurs in the middle of the school year, which starts in April, students return to the same teacher. "This means that the recovery time is a lot less," said Richard M. Wolf, a professor of psychology and education at Columbia University.

## Short Takes

The State Department has begun requiring the approximately 30 Soviet journalists working in the United States to live in apartments selected by the U.S. government. James E. Nolan Jr., director of the department's office of foreign missions, said the new restrictions follow "exactly the pattern which our correspondents have to face in the Soviet Union." The same restriction already applies to Soviet diplomats. Soviet citizens in the United States are not allowed more than 25 miles (40 kilometers) outside central Washington or New York City without State Department permission.

The rains failed this year in the Seattle region, one of the rainiest in the United States. The region got 90 percent of its normal 40-inch (100-centimeter) rainfall in the 12-month period that ended Sept. 30. But too much fell last November, before it could be trapped as snow in the mountains, and not enough the rest of the year. Green lawns are brown.

reservoirs and rivers are at record lows, and orchards and vineyards are threatened, as are the spawning cycles of salmon.

Betty Burian Kirk of Chicago band-spins yarn out of the hair that dog owners brush from their pets. Her clients then use it to knit mittens, scarves and shawls, thus giving new meaning to the expression "putting on the dog." She says: "A lot of people do it for sentimental reasons. I don't usually recommend making a sweater from it. It's a lot hotter than wool, generally." She says hair from Samoyeds and huskies spins into the softest yarn. Hair from collies, German shepherds and golden retrievers makes satisfactory yarn, too, Mrs. Kirk says, but toy poodle hair is too short and corgi hair too harsh.

## Nobel: Right Name, Wrong Prizewinner

When the Royal Swedish Academy in Stockholm tele-

phoned one of the winners of this year's Nobel chemistry prize in Los Angeles, it got Donald O. Cram instead of Donald J. Cram. Donald O. 38, happens to have a chemistry degree, but earns his living cleaning carpets.

His first reaction was that "this was the best joke I had heard in some time." He said the call "really sounded like an overseas call, it had all the right background noise — and that accent." So he hung up and went back to sleep.

When the academy called again 10 minutes later and mentioned that the prize was for work on molecular structures, "that's when I knew it wasn't a joke, just an old guy wouldn't come up with molecular structures."

He said he was embarrassed and quickly set the record straight. "Here I was vucking it up in Altadena and these guys were probably sitting around in black tie in Sweden," he said. "I could hear a lot of talking in the background."

—ARTHUR HIGBEE

## Burkina Faso President Is Killed in Takeover

**OUAGADOUGOU, Burkina Faso** — The leftist president of Burkina Faso, Captain Thomas Sankara, and nearly 100 other people were shot and killed when troops led by the captain's second-in-command stormed the presidential palace in a coup, sources said Friday.

Witnesses said that Captain Sankara and 13 close associates who died with him Thursday were buried Friday morning at a cemetery near Ouagadougou, the capital.

They said that on one of the fresh graves was a handwritten marker bearing Captain Sankara's name.

In Paris, President François Mitterrand of France said he was saddened by Captain Sankara's reported death.

"I am saddened by the news," said Mr. Mitterrand, who visited Burkina Faso, a former French colony, last year. "He was a young man, intelligent, sincere and full of drive."

Sources in Ouagadougou said Captain Sankara was killed in the assault on his palace, which was led by Captain Blaise Compaore, the country's new leader.

Nearly 100 people died in the shooting when members of Captain Sankara's guard put up resistance, the sources said.

Captain Sankara was an eccentric young leftist officer, who for four years had led one of the world's poorest countries, landlocked in the West African Sahel region.

In communiqués from Captain Compaore, broadcast by the official radio, he was denounced as a renegade and traitor with neocolonial leanings.

Captain Compaore was said to have been a close friend of Captain Sankara and was instrumental in

helping him take power in August 1983.

In one of a series of radio announcements made in the name of a new "Coordinating Committee of the Popular Front," the new leader announced Friday that all political prisoners were being released.

Sources said several hundred people were expected to be released. They included the chief of the trade union movement, Soumane Toure, who was among dozens of labor activists imprisoned in May.

A radio announcement said teachers dismissed in 1984 for striking were reinstated and "all political prisoners and persons interned for administrative reasons are hereby released."

The radio said Captain Sankara had tried to divert from the course of the 1983 coup.

"By an accident of history," the announcement said, "this autocrat was propelled to the leadership of our revolution, the better to throttle it from within."

A curfew was imposed on Burkina Faso's eight million citizens, from 7 P.M. to 5 A.M. Borders were sealed and airports were closed to international traffic.

Captain Compaore was minister of state in charge of justice under Captain Sankara.

He, Captain Sankara, Captain Henri Zongo and Major Jean-Baptiste Lingani had led the military government since the 1983 coup, which was the fourth since the country became independent from France in 1960.

**New Breed of Leader**  
Earlier, Blaise Haden of The Washington Post reported from Ouagadougou.

Since 1974, Captain Sankara, a tall, lean former paratrooper with the dashing good looks of a movie actor, had attracted attention throughout Africa as one of a new generation of leaders.

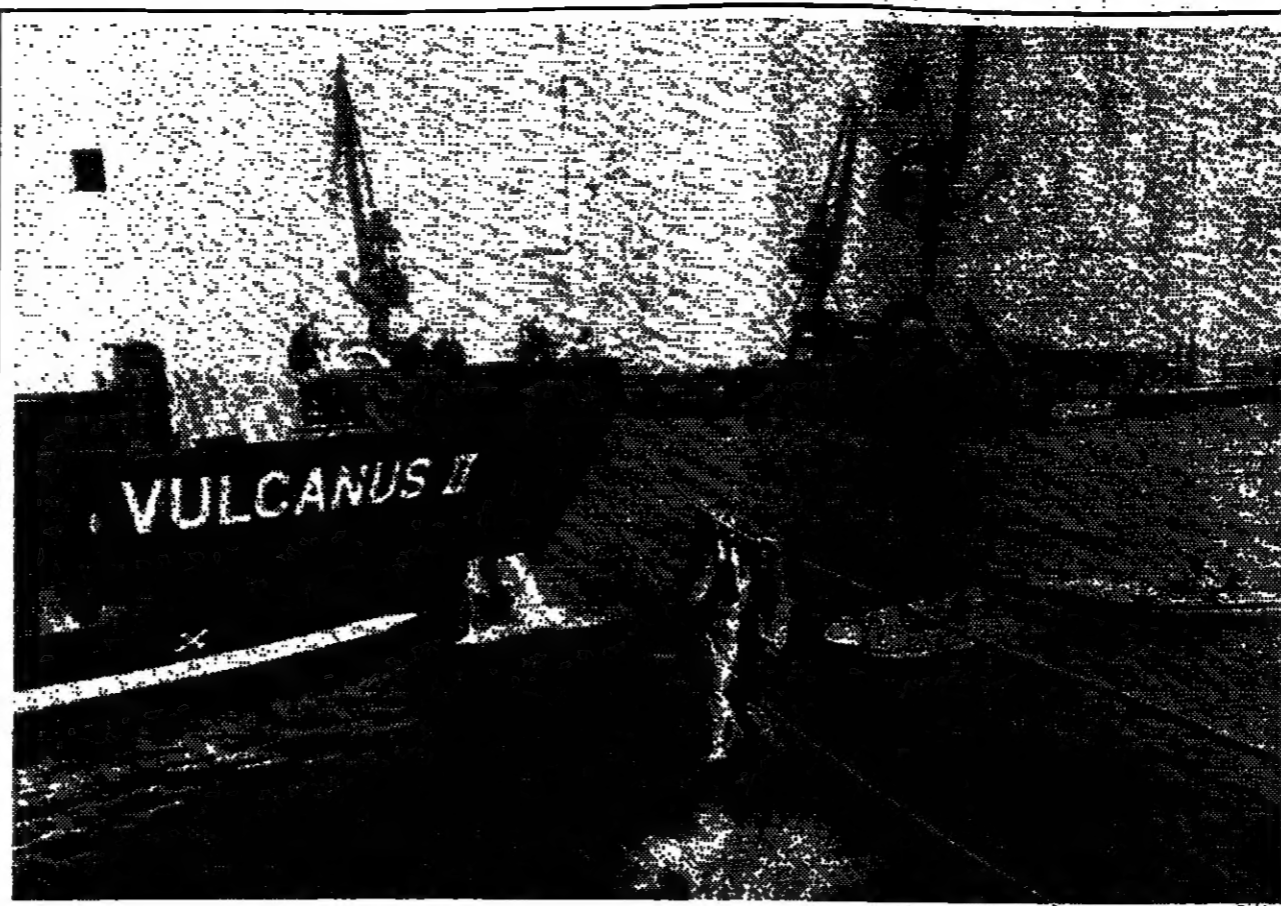
He rejected personal wealth, demanded an end to factional politics and insisted on public accountability by government leaders.

Captain Sankara, who came to prominence in the mid-1970s as the hero of a border war with Mali, composed "revolutionary music" on his guitar and performed it in the capital. He insisted that women be given legal equality with men.

In a public accounting last year of his personal wealth, he listed his most valuable possessions as two guitars.

In 1984, Captain Sankara changed the name of his country from Upper Volta to Burkina Faso, which, in the language of the Mossi ethnic group, means "the land of the men of integrity."

In the past year, his demands for economic reform, including wage reductions, had become increasingly unpopular.



**GANGWAY GREENPEACE** — Demonstrators from Greenpeace attempting to board the Vulcanus II, the world's largest sea-going incinerator ship, by climbing the anchor ropes in the Rotterdam harbor on Friday. Crewmen on the ship released the ropes, causing the activists to fall into the sea. The protesters, seeking to halt the burning of hazardous chemicals, later were permitted to board the vessel with Dutch members of parliament.

## MYSTERY: Angst and Intrigue After a Prominent West German's Demise

(Continued from Page 1)

had a photograph and other material that would clear his name.

• The informant himself, known to Mr. Barschel as "Robert Rohloff."

Mr. Barschel's death called additional attention to a scandal that already had aroused disillusionment over the status of West German politics.

Many commentators called on parties to tone down the bitter partisanship that had fueled the affair.

Helmut Herles wrote in the newspaper Frankfurter Allgemeine Zeitung that "Many have the feeling that the Federal Republic is suffering from a political and moral 'immune deficiency.'"

He said that the Barschel case had exacerbated a "general feeling of unease" that resulted in part from constant squabbling among the three parties in Chancellor Helmut Kohl's governing coalition.

Mr. Barschel belonged to Mr. Kohl's conservative Christian Democratic Union.

West Germans are particularly sensitive about protecting democratic values, because their republic is only 38 years old and is only the second democratic regime in the country's history. The first was the Weimar republic of 1919 to 1933, which ended with the Nazi takeover.

Despite numerous public expressions of concern, analysts cautioned against exaggerating the impact of a single scandal on the future of West German democracy.

"I think that in the Federal Republic, the standing of politicians and political parties is relatively good compared to other democracies," said Karl Dietrich Bracher, a professor of political and contemporary history at the University of Bonn.

Mr. Herles and other commentators compared the Barschel affair

to scandals earlier in the decade over political donations by the Flick industrial group and over the finances of the Neue Heimat housing company owned by the nation's largest unions.

Mr. Barschel resigned as premier after allegations that he had ordered a series of dirty tricks against his Social Democratic opponent, Björn Engholm, prior to state elections on Sept. 13.

One of Mr. Barschel's aides accused him of hiring detectives to gather damaging information about Mr. Engholm's sex life. Mr. Barschel also allegedly arranged to have an anonymous letter written to local authorities charging his opponent with tax fraud. He was further said to have sought to frame Mr. Engholm for wiretapping Mr. Barschel's office.

Mr. Barschel consistently denied the allegations, but his own party deserted him as details emerged

that appeared to confirm his aide's account.

The principal short-term result of the scandal is almost certain to be elections in Schleswig-Holstein in which the Christian Democrats are expected to fare poorly. A defeat there would intensify the political embarrassment for Mr. Kohl's party, but it would have a relatively small impact on national politics, analysts said.

The most prominent victim of the scandal was Finance Minister Gerhard Stoltenberg, who is also the Christian Democratic party chairman in Schleswig-Holstein. As recently as a year ago, Mr. Stoltenberg had been widely mentioned as likely to succeed Mr. Kohl as the Christian Democrats' candidate for chancellor.

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## GULF: U.S. Charges Iran 'Aggression' After Ship Is Hit

(Continued from Page 1)

were injured, including the American captain, John Hunt, 50. Seven were in serious condition, requiring surgery in hospitals in Kuwait.

The attack came a day after a similar missile hit the Liberator-registered, but American-owned, supertanker Simgari, off Kuwait's main oil port of Mina al-Ahmedi.

A U.S. Defense Department spokesman said that the Pentagon had information that Thursday's missile was a Chinese-made Silkworm fired from the Fao peninsula, captured by Iran in Iraq in 1986.

Kuwait officials said Friday's missile was the same type.

**Caution by U.S.**  
David B. Ottaway and David Hoffman of The Washington Post reported from Washington:

Initial indications were that the Reagan administration was approaching the challenge of the attack with considerable caution and consulting both U.S. allies in Europe and the Arab Gulf states before deciding on a course of action.

Administration officials emphasized that "the full range of diplomatic and other options" available to the United States were under consideration and did not exclude the possibility of a military strike against an Iranian target.

But they also stressed that Friday's attack had taken place in Kuwait territorial waters where Kuwait wait, rather than the United States, was primarily responsible for protecting all foreign vessels.

Both White House and State Department officials indicated that it would probably take at least 48 hours before the administration reached any decision. They also suggested that Mr. Reagan's preoccupation with his wife, Nancy, who may undergo breast cancer surgery Saturday, might serve to delay a final decision.

A senior White House official said no other meeting between Mr. Reagan and his top advisers was scheduled for the weekend and that the administration was still in a fact-finding phase. Before the United States acted, he said, "We have to make sure of all our facts."

Mr. Fitzwater said Mr. Reagan had met Friday morning with his National Security Planning Group,

the White House's second highest foreign policy decision-making body, for "a full update" on the attack and that the administration was continuing to analyze the situation.

"We will not discuss specific diplomatic or military options at this time," he added.

Some members of Congress rallied behind Mr. Reagan, saying they would support him if he decided to retaliate for the attack.

"I would be fully supportive of taking retaliatory steps when American lives are involved or when American ships are involved," said Senator Sam Nunn, a Democrat from Georgia who is chairman of the Senate Armed Services Committee.

After returning to Congress from a White House meeting with the national security adviser, Frank C. Carlucci, and the White House chief of staff, Howard H. Baker Jr., Mr. Nunn said:

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## Indian Troops Overrun Main Tamil Stronghold

By Barbara Crosscette  
New York Times Service

**COLOMBO, Sri Lanka** — Indian troops were reported Friday to have overrun a major Tamil stronghold on the Jaffna Peninsula, killing 111 rebels.

Refugees reaching here said that the people in the town of Jaffna, caught in fighting between the two sides, were trying to flee by any means possible.

The refugees told of hunger verging on starvation and of the killings of civilians by Indian troops. Their accounts contradicted Indian assertions that the rebels have been preventing civilians from leaving Jaffna.

On Friday, India rejected a cease-fire appeal from the Tamil militants and demanded their surrender.

As the refugees arrived in Colombo and other northern towns, the Indian troops were continuing to close in on Jaffna town, according to a spokeswoman for the Indian High Commission in Colombo.

Refugees reaching Colombo by bus Thursday night said the toll on civilian life and property over the last week had been high.

Several persons said Friday that Indian troops, 30 of whose comrades were killed in a guerrilla ambush Sunday at Jaffna University, fired wildly into a crowd that gathered at the campus after the attack, killing up to 60 civilians.

Refugees from Jaffna also said that the area had been bombed on several occasions, a claim that the Indians have consistently denied.

Accounts by the refugees cannot be independently confirmed. The Indian Army has imposed a black-out on news from the region and barred reporters, except an Indian government television team, from the Jaffna Peninsula since the campaign against the Tamil guerrillas began Oct. 10.

The rebel stronghold the Indians reported taking was at Urumpirai, north of Jaffna town.

Brief Indian Army versions of what has been happening in Jaffna and in Eastern Province are relayed daily to reporters through the High Commission. The Indian force was deployed in Sri Lanka under terms of a July 29 agreement between the two countries.

India has refused to provide information on civilian deaths and injuries, apart from saying repeatedly that the Indian troops are trying to minimize such casualties.

On Friday, the spokeswoman of the High Commission said 111 Tamils had been killed, bringing the number of Tamil deaths as esti-

mated by the Indians to 507 in six days.

The spokeswoman said that 14 Indians had been injured but that none had died at Urumpirai. Indians say their death toll over the past six days is 80, with 282 injuries and 17 troops missing.

The High Commission said that on Friday, India rejected the fourth appeal for a cease-fire from the militants, the Liberation Tigers of Tamil Eelam.

"The question of a cease-fire in this stage does not arise," the spokeswoman said. She said peace could return only after the surrender of the Tamil Tigers.

Refugees from Jaffna who were interviewed Friday said that the Tigers were suffering hardships similar to those of the civilian population. In particular, they were short of food because they could no longer rely on the community to provide it, the refugees said.

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# FASHION/1987

## For Style and Influence, Paris Wins a Resounding 'Oui!'

### London

British buyers follow the trends, though they say the fashion traffic is not strictly one-way.

By Suzy Menkes

LONDON — Jean-Paul Gaultier is in a London store being mobbed by his British fans. From the top of his punk crewcut to the caps of his steel-toed boots, Gaultier pays homage to British street style. He may be a maverick designer back home. In Britain, he is a megastar.

France's enfant terrible is a hero across the Channel, because he has succeeded — where so many inventive English designers have floundered — in bringing the original and the outrageous to the international stage.

Most British fashion editors have a love-hate relationship with the Paris shows. We love them for the excitement, the tension, the glamour and the style. But we are frustrated that ideas that have been thrown into the fashion ring by British designers are winners and far more wearable — under Paris scissors.

Street-wise designer Katharine Hammett and fashion original Zandra Rhodes, both believe that French creators look to London for ideas and absorb them into mainstream fashion. But those who say and sell the clothes do not agree that this fashion traffic is all one-way.

"I think the influence of Paris is enormous," said Amanda Verdan, head of buying for the fashion-aware Harvey Nichols store. "Jean-Paul Gaultier is a best seller for us and has the most innovative collections. All the stretch and all the corset tops he first did two years ago have had a big influence on other designers."

Alistair Blair is a Scots-born designer who has worked on both sides of the Channel. His three years with Karl Lagerfeld in Paris, before he set up his own label in London two years ago, give 30-year-old Blair an insight into the different attitudes.

"There is no doubt that the English themselves — more so the young designers — are the most innovative," said Blair. "Most of the young kids pay no attention to what is going on in Paris and go into a collection quite blindly on their own. The short skirt is a good example. People in London have been wearing it for ages — all these pointers of stretch jersey on the streets had nothing to do with the international collections."

Claire Angel is one of three designers behind the quirky inventive English Eccentrics label. She and her partners were all trained at art

Continued on page 8

Löffner, 80.  
ishop, Dies

### Lacroix, Ever The Showman

THE Paris prêt-à-porter took a distinctly theatrical turn Friday morning, when Christian Lacroix unveiled his latest collection four days early to a small group of buyers and journalists.

In a burst of color, style and showmanship — and perhaps marketing genius — Lacroix presented a collection that was neither couture, nor, the house insisted, ready-to-wear — at least not the same kind of ready-to-wear everyone else was showing.

Billed simply as "chez," the typically stunning offerings included a thigh-high dress with a heart-shaped bodice, frilly as a candy box and filled with black and white ribbons.

(LHT)  
The review, page 10.



The new romanticism of Lacroix.

### Milan

Italian designers watch French theatrics despite their desire to stay with the styles they made famous.

By Daniela Petroff

MILAN — When Italian designers presented their spring-summer 1988 collections last week, the Paris influence was clearly apparent. A lot of out-of-character Christian Lacroix ruffled and puffed party dresses found their way down the usually staid, classical Milan runways.

Not everyone was happy with the switch, though not everyone took part. Chief offender was Gianni Versace, who strayed from the very same snappy tailored looks that helped build Italian fashion into a strong French rival.

"This is our strength," argued Giorgio Armani, Italy's leading ready-to-wear designer, whose collection did not adopt a Parisian manner. "Italian fashion is never a theater extravaganza. It is wearable, not promotional."

"I could never make something for the sake of making it," he said.

Over the past decade, Italy's special strength of style pushed the *moda milanese* into the fashion limelight along with the Paris designers. To romantic Paris, the art of wooing the female fashion ego is old hat. But for pragmatic, businesslike Milan, it was an acquired taste.

Milan succeeded through a combination of technological know-how and

Continued on page 8



Joe D'Amico



Ungaro's flashy tailoring.



Saint Laurent's ornate mini.

## French Collections Make (Or Break) a Fashion Pro

By Marian McEvoy

PARIS — I started "covering" French fashion collections when I was a sufficiently enthusiastic and overwhelmingly green 22-year-old. Sixteen years later, I'm still trying to figure it all out. So many dutiful seasons of chronicling Parisian clothing design should result in imposing technical knowledge, a sure fix on what we'll all be wearing next week, an unalterable concept of chic, a vast wardrobe and a splendid income.

I have none of the above. But, 1,006 fashion shows later, I do have the impression that French fashion is the Most Important; that French fashion collections are the Most Influential and that attending French fashion shows is the Most Mandatory.

If it all sounds a bit hyperbolic, it is. Any vaguely respected fashion buyer, critic, consultant or photographer can skip a fashion season in New York, Tokyo, London, Milan or Munich and still hold on to their profits and reputations. But missing a season of French prêt-à-porter or couture showings is like pouring ketchup on an *escalope de foie gras chaud* — hard to explain and harder to pardon.

What goes on on runways in this city of few bargains and fewer cabs is what nurtures the entire clothing industry. Fashion trends launched on French turf are the foundations for epoch ad campaigns, scent sales, department store expansion and fabric mill production throughout the world.

The most talented French fashion designers

are powerful — they have the right mix of Gallic (intrinsic or adopted) arrogance and instinctive style that it takes to talk almost all women into almost anything. These creative characters and their clever business partners have a way of making you feel absolutely dowdy or dinosaurish if you don't wear, or at least publicly admire, what they produce. I'm not even considering the relative merits of a trend toward see-through, metallic jumpsuits or thigh-high cowhide ball gowns. I am simply aware that if they are shown in Paris, items may very well turn up in the closets of those who care about "staying in fashion."

French designers not only have the right, but are actually obliged, to change their minds every six months. If they didn't come up with biannual New Improved ideas, the fashion industry would have as much chance of surviving as a non-monogamous American politician.

Fashion feeds on change. And that's why at least 10,000 visiting buyers and editors are feeding off the almost 100 prêt-à-porter collections being shown this week and next in Paris.

From a professional viewer's standpoint, a French fashion show is a challenge. If you are slated to attend 10 of these events a day, you must also schedule hot baths, room service, massages and patient spouses, lovers and friends. Going to fashion shows might sound like a lot of fun, but it is actually something Dante forgot to include in his vision of the Inferno.

For starters, these essentially 30-minute-

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### New York

What is in Paris today is in America tomorrow, sometimes before the real design arrives.

By Nina Hyde

NEW YORK — The tall slim man with a Nikon hung around his neck established his turf next to the runway before the Yves Saint Laurent show in Paris, then leaned back to talk to an editor in the front row behind him. "You don't recognize me here," he explained. "You came to my showroom to see my sweaters last year."

Indeed, he was a mass manufacturer of sweaters in the Far East, an instant copyist of top designers. Now he was at the source of ideas.

"Bought my credentials off a photographer," he said, fingering his badge. Then, with a broad smile, he added, "Practically before Yves gets his sweaters back to showroom, my photographs will be on the way to the Far East to be knocked off."

A knock-off artist's dream. A designer's nightmare.

And, although the security has tightened a good bit recently, the Paris shows are providing the world with far more than clothes to wear and to write about.

"Of course the clothes and the accessories are important for buying and selling," said

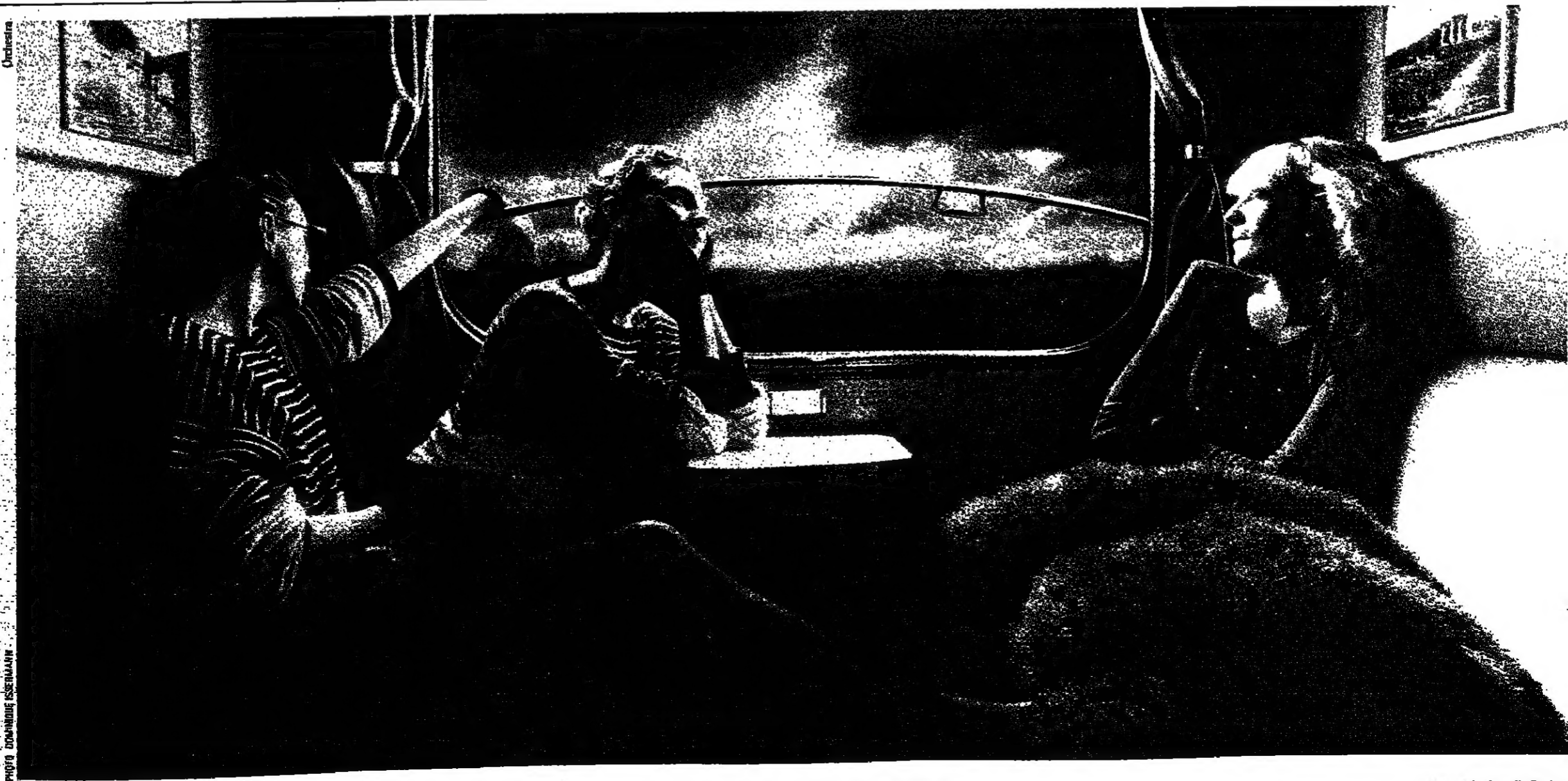
Jack Miles, couture buyer for I. Magnin, on his 51st trip to the Paris shows this season. "But [the shows are] very important, too, for the American designers who feed off them. What is in Paris today is in America tomorrow. Sometimes, particularly in the cheaper market, it is in somebody's store before the actual design gets to us."

It's not the creativity but the fanfare of the event and the considerable press coverage that has an impact, insists Louis Dell'Olio, the designer for Anne Klein. He equates the last round of collections to the Iran-contra hearings in range and repetition of coverage. But he watched and read a lot of it. "People in the business pay a lot of attention to those collections. We all watch what is going on."

What he gets out of it, he said, "is the sense of excitement of the event rather than the clothes. The clothes are not a real influence per se."

"I sometimes wonder who is the chicken, who is the egg," Dell'Olio said. "I did the dance skirts long before they were shown in the couture, and they sold like mad. It's funny who influences whom. We are always influenced

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SONIA RYKIEL  
PARIS

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70, Faidherb Saint-Honoré Paris 8

## Beguiling Accessories

London:  
The Traffic  
Is Not Just  
One-Way

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college under the British system, and their clothes major on original fabric design.

"London and Paris fashions are on two different lines, and they don't really converge," said Angel. "I do not take much interest myself in the collections. If anything, I tend to find that the French are behind us, and it is well-known that John-Paul Gaultier comes over here to look at our street fashion for ideas. Couture is different because it is not really an English thing. But I do love Lacroix because I have always liked theatrical things, and it's good to see a designer exploring the fantasy element."

Clare Stubbs, fashion director of Harrods, is locked into negotiations with Lacroix to be the first to bring his designs to the prestigious Knightsbridge store. She believes that fashion is strongly influenced by Lacroix and by the new-wave young tailoring from French designers she stocks: Prémontville and Dewavrin, Lolita Lempicka, Odile Lancon.

"You could say that it was when the London street fashion started to wear the antique couture suits, that French couture started to change," said Stubbs. "I believe that every city has something to offer in fashion. Paris is far more dressed up with a look for day and for evening. The influences are often small ones — the shape of a skirt or a sleeve. And there is no doubt that Lacroix's bright color palette is affecting all the new collections."

In British fashion there is an enormous gulf between the avant-garde and the establishment. This struggle between the old British conservatism and the new generation's outrageousness is shown by Princess Diana in her ladylike dresses and the raucous, street-wise kids in their bad, mad clothes.

John Galiano, the most important new talent to come out of London, is fighting to be accepted



British designer Alistair Blair's short 'pouf'.

as a serious fashion designer rather than a wild, wacky one. He established his own label immediately after graduating from St. Martin's College of Arts. His wrapped bodices, asymmetric skirts and modest, graceful clothes are in the spirit of Romeo Gigli or Martine Sitbon — two designers he admires, although he insists that they all work quite independently.

"I just enjoy what I am doing," he said. "I have always used mud and chiffon and the empire line. It wasn't a conscious thing. When I did my first collection, I didn't like the austerity of Armani's mannish suits, and I felt I wanted to do something different."

In their current collections, Galiano and Sitbon both independently took the fabric rose as a symbol of the new femininity.

"But if you look at my roses,

they are technically quite different from Martine Sitbon's," said Galiano. "I am now much less interested in looks and much more involved with technique. This new collection is more grown-up, more polished, more raffiné."

It is significant that Galiano chooses a French word to describe his new spirit. For British fashion editors often spot in Paris English ideas that are purified and refined by French designers. The clothes are certainly presented differently, with each Paris collection, however banal, perfectly accessorized and orchestrated.

"Unfortunately, a lot of it comes down to money," said Alistair Blair, who flies in top models Danna, Imran or Gail Elliott for his show.

"The way the Paris shows are presented is pure theater," said Blair. "When you are stunned by a presentation, it gives you goose bumps and makes you feel that the clothes are fantastic."

London is learning from Paris that clothes are not just to be seen — but also to sell. The importance of Paris is summed up for me in two memorable images: Vivienne Westwood, two years ago at the Paris collections, sent out on the runway mini crinolines on ringed china doll models. Everyone, including this fashion editor, laughed.

Six months later, Christian Lacroix sent out his puffball skirts — delicious confections of pure prettiness. We all cheered.

SUZIE MENKES is fashion editor of *The Independent* and author of *The Royal Jewels* and *The Windsor Style*, published this month by Grafton Books.

## Trendy Jewelry Revels in Fantasy

By Jean Rafferty

PARIS — Today's costume jewelry designers dabble in everything from feathers to onion peel and manipulate new synthetic materials into beguiling jewelry that can be as droll as it is decorative.

The designs in trendy Paris boutiques this season show the influence of Art Deco and sculptured minimalism, Christian Lacroix's romanticism and even the comic strips.

And, when worn judiciously, the fakes can transform a little black dress into a show-stopper. As the Argentinian designer Mercedes Rubirosa, who is presenting her first collection this week at the Tuileries shows, puts it, "The dress becomes the accessory of the accessories."

Rubirosa modeled for Yves Saint Laurent, Thierry Mugler and Claude Montana before working on jewelry for four years with Karl Lagerfeld. Combining the techniques of an art foundry with the craftsmanship of jewelers, she turns out bracelets of colored stones and pearls inset into metal and bronze, ruffled like the bodies of bustier dresses.

Other pieces resemble volcanic rock or marine sponges studded with stones, or geometric waves inspired by the Copacabana sidewalks in Rio. Each theme is translated into a complete accessory line with necklaces, earrings, brooches and bracelets, and also belts and hats with handbags to come.

The total look takes on added fantasy in the new Lacroix boutique in the Place Vendôme. For 120 years, this firm, founded by Napoleon III's embroiderer, Michomet, has created the ultra-glitter in bangles,

Inspiration comes from art, fashions and even comic strips.

beads, paillettes and faux precious stones that adorn the dresses of French haute couture.

Using the same materials, Lacroix has designed a collection of whimsical hand-embroidered accessories on such themes as Catherine of Russia (mink and huge fake rubies); Josephine Baker (in beagle beads); royal crowns (pearls and gold thread in suede); clever pearl and gold sequin clock faces, and irresistible fish made of indestructible paillettes that dangle from your ears, swim around your waist or gleam from an embroidered handbag that looks like a half-opened seashell.

Like couture and ready-to-wear, Parisian haute joaillerie influences fantasy jewelry. The rock crystal that shone in the Boucheron collections a few seasons ago now turns up in drop earrings at young style boutique Agathe.

Or street fashions move up. The multi-colored wavy bands sported on every fashionable wrist this year became the inspiration for rue de la Paix jeweler Jean Dini Van's gold-plated gris-gris. His new tassel is a knuckle-duster zirconia set in solid silver or gold.

Scooter, the Hales shop that rehabilitated the rhinestone by teaming it in all colors with black leather and jeans, has opened a store on the Left Bank called Mademoiselle Zaza. Here, the emphasis is

on Out of Africa, as seen by the native, rather than the white hunter. Slave bangles in metal-look resin twist up the arms from wrist to shoulder, swirl in multiple rings around the neck or imprison the hair in tight, conical top knots.

Flash back to the past at Isadora with the Art Deco material palette, but flash forward to this designer's imagination that transforms it into such delightful motifs as the black cat collection that would charm even a felinephobe. The stylized tabby glows with diamond eyes from a brooch, bracelet, necklace and hoop earrings.

Surgeal jewelry by American Billy Boy, featuring ghostly gingerbread men, stars at Uffizi-Bibi while the way-out world of comic strips — an art form in France — inspires the brilliant young team (four artists, a photographer and an actress) called Yucca.

Themed after the Wild West, their new collection is made of ceramic resin.

The inventive use of materials sets French jewelry apart. At Fabrice on the rue Bonaparte, famous for its original compositions, another Art Deco favorite, shankskin, is stunningly combined with passementerie, brass or steel. (Passementerie, too, from shocking pink to black, has been the hallmark of LFF Guibourge's popular collections. This winter it is intertwined with chenille in bright colors,



Ruched bangle bracelets from Mercedes Rubirosa.

braided with jet or threaded with oversize baroque pearls.)

ADDRESSES: AGATHE, 8 rue de la Pompe, 75016; ISADORA, 10 rue Princesse-Clerc, 75007; LESAGE, 11 Place Vendôme, Paris 1; MADEMOISELLE ZAZA, 29 Blvd. Raspail, 75007; UFFIZI-BIBI, 27 rue du Four, 75006; YUCCA-TEK, 41 Philippe Model, 33 du Place Marché St. Honoré, 75001.

JEAN RAFFERTY, a journalist based in Paris, writes about fashion and lifestyle.

## In Paris Today, in New York Tomorrow

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from what we see. If it is something radical happening in France, then... maybe I would say, yes, we are influenced. But I am mostly influenced by ethnic kinds of clothes.

"My collections are planned six months before they are shown, so if there is a similarity with Paris, well, it is just an accident — like the pony print skirts that were in my collections two years ago. I can't say I did them first because others did them long before that. But it was right to bring the skirts back because they are graphic and have texture and are appealing. Ideas pop out every few seasons."

Dell'Olio believes "the day is passing when people say that because something is French it is good and new." It is rare that something as dramatic as Saint Laurent's Russian peasant look that influences the world comes along, he said. "He came out with a whole brand new proportion, jackets braided-trimmed, challis skirts. It was fabulous and true, a whole departure. Nobody had been doing that," he said.

Adolfo, who has been criticized for his tilt to Chanel-inspired designs is watching Christian Lacroix more closely these days. "Frankly, I feel that Mr. Lacroix allows all of us designers to do something that we have wanted to do, but unfortunately it was not the right time or the right opportunity to do it. And he opens a new vista to the things that one may want to do sometimes or one may be inspired by. I think he's a great designer."

In his day he puts André Courrèges, Emanuel Ungaro and Saint Laurent in the same league. And Balenciaga and Madame Viacom from a while back. "I think that maybe Lacroix is the Schiaparelli of today." But his favorite is always Chanel.

"I was in Paris with my aunt for a Chanel opening a long time ago. I thought it was exactly what I wanted to do one day," he said in Washington recently.

"I think every designer, or any artist, or any person who is creative always has someone that inspires them. And I think that Chanel for me was the inspiration for what I wanted to do eventually when I was able to do something with my career. What I like is the continuity of Chanel," Adolfo said.

Bill Blass is quick too, to admit the influence of the Paris designers, particularly Ungaro, Saint Laurent and Lacroix. Lacroix tops his list at the moment.

"His clothes have the fresh approach maybe because he hasn't been doing it long. He has a daring that once a designer has

established his own look, he can't do. He can't deviate. I've often wondered, after Christian Dior's 10 years of magic, what would have happened the next 10 years. Designers get locked into their looks, so when a new fresh approach comes on the scene, it is refreshing."

Admits Blass, "I, for one, get bored with making the same thing over again even if it is my personal taste. So seeing Lacroix opens new adventures in accessories, trimmings, fabrics and fabric combinations to express yourself in a new way."

One designer who shrugs off criticism that he is a copy artist is Dallas-based Victor Costa. In fact, he considers it almost a compliment. He does it well.

Recently Martha Kramer, director of sales and marketing for Ungaro Inc., passed the Fifth Avenue window of Bergdorf Goodman in a taxi and thought she saw an Ungaro design. Kramer returned to find that from the front, at least, it was an Ungaro copy. Costa had taken it from a front page editorial in *W*, the shiny sheet spinoff of *Women's Wear Daily*.

"Women are brainwashed when they see these pictures in *W*; they feel they have to have that dress," said Costa.

"Can you believe he asked someone in the company what the back was like?" Kramer said. Not so, claims the designer. "Didn't need it. I already had a photograph of the back."

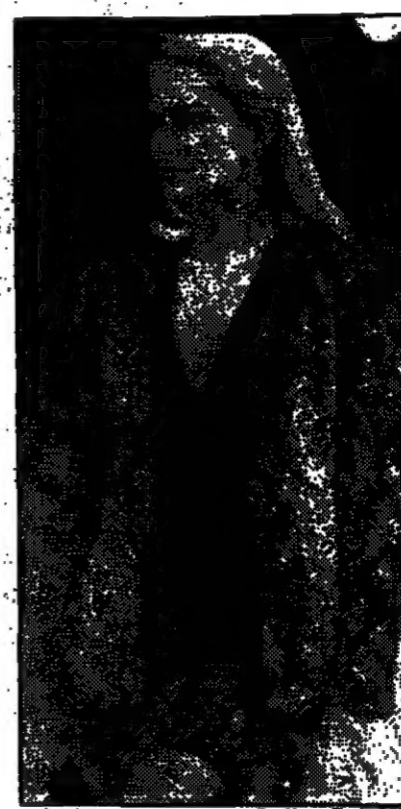
Last summer Costa had something better than photographs — seats at 12 couture shows in Paris. He won't say how he got the tickets, but adds quickly, "I wasn't alone. There were at least 20 to 30 other designers at the show."

The ready-to-wear shows interest him less. "The designers are too inhibited. Their creative juices can't flow for ready-to-wear. They can't let their fantasy fly. In couture, selling is not the main goal," said Costa.

The large contingent of buyers attending the ready-to-wear collections rarely take on the show alone. The contingent from Bloomingdale's, probably the largest of all, led by its chairman, Marvin Tribb, and its vice president, Kal Rutenstein, add up to as many as 50 people in a season. It includes their top creative talents in display, advertising as well as buyers.

"There's always a lot of accessories people who, like the rest of us, go to shows, look at stores, work lines in showrooms. We meet with people to map future plans, to negotiate," said Rutenstein.

Rutenstein is looking for far more than clothes for all the stores. "At the Paris shows is where we begin conceptualizing the next season and think about trends to



Bill Blass ensemble in paisley printed velvet.

get behind for shops, advertisements, things we want to stress. It's where we get ideas for merchandise development," he said.

Rutenstein said that for a major fashion trend to happen it needs to happen in Milan, Paris, New York — all at the same time. "It used to be that if Paris said something about fashion, the world would follow. It doesn't seem to be the same way now, but Paris is certainly a major bellwether."

"Without France we would all be wearing designer uniforms, redesigned, reworked by industrial designers, making pockets larger one season, smaller the next. There is no fashion creativity without Paris," said Charles Galley, who has an Azze-dine Alota shop on Rodeo Drive in Beverly Hills, California, and another Southern California boutique. It is a far cry from when Galley started 20

years back in Italy and France. "I think, and I've thought it for 10 years, that the fashions are industrial designers who have entered the field of ready-to-wear. Armani, Versace, Krizia. They are not dressmakers. The techniques that apply to the automobile industry they apply to clothing. On the other hand, Paris is the crucible of personality expressed fashion going back to the kings named Louis and even before that. The French are constantly expressing human artistry through fashion."

Galley blames the current generation of Yuppies for the shifting interest from creative fashion to making money.

"The creative environment is becoming distorted, less amenable, less ideal," he said. "A perfect example is Kenzo, once one of the most creative. He was so inspirational that in the '70s, he was beyond the horizon," said Galley, who carried Kenzo's clothes from the days he was working out of the Passage Choiseul and made the clothes himself.

"Now he's industrial. It is impossible to be both artistic and industrial. Many designers have tried it but when they are industrially successful they are not creating fashion, they are designing industrial products. No one can do both. Many try but the collections suffer. The talent atrophies when substituted by formula."

To Macy's, Paris is as important as ever. Beyond buying clothes to sell, the Macy's crowd, which can be as many as 30 people, watch the shops for trends like tartan plaids which have spun off from Jean-Paul Gaultier's last collection.

"It is important to see the confidence [Paris] retailers have in major designers and what they interpret," said Joan Kemer, vice president and fashion director of Macy's.

The more than 1,800 press members have access to almost all the shows. But for many, coverage goes well beyond the runway. Marjorie Deane, publisher of the *Tobé Report*, a weekly reporting service for retailers, magazines and newspapers worldwide, keeps her eye on the crowd as well as on the runway, often comparing the two.

"Women in Europe care even more than Americans about how they look and how they put themselves together from head to toe," said Deane. "And there is the excitement that happens when the street scene and runway scene get that is so interesting. And when they are diverse, that challenges your thinking."

NINA HYDE is fashion editor of *The Washington Post*.

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## Milan Watches but Stays With Its Styles

Continued from page 7

designing talent that came together when a group of Italian ready-to-wear designers led by Missoni and Mariuccia Mandelli (Krizia) deserted Florence, then

the center for Italian ready-to-wear, in hope of finding more modern methods of expressing their talent.

The designers quickly began to work with the textile makers, long famous for their beautiful fabrics. Within five years such names as Armani, Versace, Krizia, Fendi, Missoni and Fendi were making headlines all over the world. They were billed as masters of the '80s look — an unfussy, man-tailored silhouette, in beautiful colors stiched out of exquisite fabrics.

The talents of the Italian industry, with its luxurious silks and super-soft wools, coupled with Milan's industrial know-how, were not lost on the French, either.

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Orders to Italian textile makers include the names Dior, Saint Laurent, Lagerfeld, Kenzo and Montana.

Lacroix, himself, was in Milan earlier this month to do business with Donatella Girombelli, head of the huge clothing manufacturing company that will produce his luxury line.

"The French might excel on the runway, but the basis of their success is right here in the fabrics and the technology," says Gabriella Forte, Armani's right-hand woman.

It would be unfair to attribute the success of the Italian label to fabrics and know-how alone. The fact is that Italians make beautiful clothes, as proved by the number of shops who display their wares in their windows.

"Italians don't create commonplace clothes, but their styles are still young and sometimes even bouncy," said Leonora Dods-worth, who has been covering Italian fashion for the past 25 years.

A distracted tourist walking down Madison or Fifth Avenue might think he was on the Via Condotti in Rome or Monte Napoleone in Milan. Armani, Ferragamo, Fendi, Valentino, Versace, Missoni, Krizia, Biagiotti — not to mention the three Gucci stores that line Fifth Avenue, are either displayed in their own shops or

adorn the windows of such prestigious stores as Bloomingdale's and Bergdorf Goodman.

If it is true that the French are perfectly happy to dig into the Italian fashion trove for fabrics, colors and manufacturing, it is equally true that the creative talent of Milan came as an unwelcome surprise.

"When we established ourselves as leading figures in the world fashion market in the early 1980s, Paris had to come to terms with a new force on the runway," said Carla Fendi.

France's answer to this challenge has been to cling ever more strongly to the traditional concept of designers as creators of fashion, rather than interpreters of existing lifestyles.

Using the analogy of wine — which isn't so far-fetched when you think that if the French and Italians aren't quibbling about how to dress, they are arguing over what to eat and drink — Carla Fendi, one of the five Fendi sisters, said, "French design is more sparkling. We are also good creators, but with our feet firmly on the ground."

The French tradition of creativity forces their designers to come up with new inspirations every season, she said, where the Italians "can afford to be more realistic." Fendi feels that the rivalry is a



Ferre evening suit

stimulating, rather than a challenge to creativity but a risk to "overdo to outdo."

"Each side must keep its own style," said Fendi.

DANIELA PETROFF is fashion writer for the *Associated Press* in Italy.

## New Wave Hits the Streets

## In the Hemline War of '87, No One Loses

By Aline Mosby

PARIS — While her husband watched studiously in the gleaming Chanel boutique, a French woman tried on a blazing red Scotch plaid suit that bared half her thighs. But across the street at the Jean-Louis Scherrer shop, a Swiss customer was ordering a silk dress that discreetly covered her knee; and at the nearby Emanuel Ungaro salon, an American decided on a wool skirt that swirled just above her ankles.

Short skirts, which made a small splash in spring-summer collections, have swamped the winter clothes hanging in Paris shops in the most significant fashion wave since the mini revolution of about 20 years ago.

But in the hemline war of 1987, no one loses.

Women in 1987 can choose three major hemlines off the racks — mid-high, the knee or, the old standby, a few inches above the ankle. Or they can ignore hemlines altogether, since trousers remain firmly entrenched.

The women's liberation movement of the '70s overturned Paris's dictatorship, and the more expensive stores have continued to cut garments well below the knee to let women decide on hemlines according to age, legs and mode of life.

"We don't impose any length," said a spokeswoman at Nina Ricci.

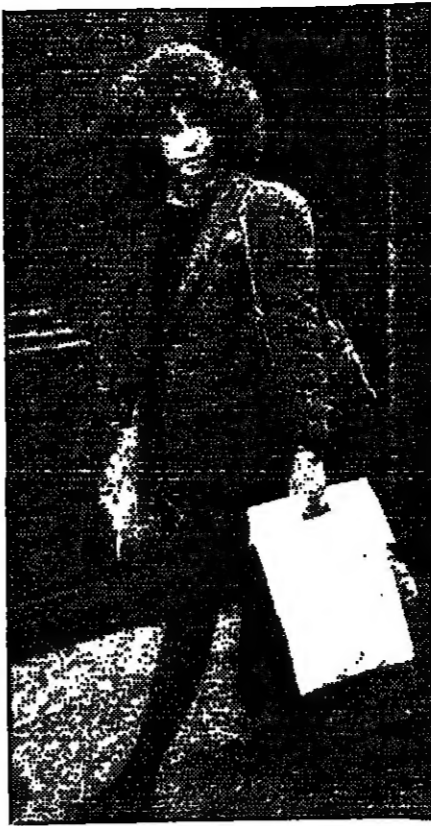
Most of the short skirts viewed on a recent Paris shopping tour were straight and narrow, and most long skirts full. The fastest-selling pants were jodhpurs and the leg-gathering culottes that recall Grandpa's long underwear.

In a sensible move for the freezing months ahead, most of the coats are very long. For more protection, women were buying warm rights to wear under the micro-minis.

And the shoe of the season is absolutely, definitely flat.

The big-name salons were packed with Americans — so quick to latch onto a fad and so quick to abandon it — buying thigh-high skirts at high prices.

Americans are more advanced into short skirts," a Scherrer spokeswoman said. "The French little by little are becoming interested, but



Photographs by Lou Garo



On Paris streets: Skirts hit new highs, established lows — or somewhere in between.

if a garment is too short, they say no.

How well short clothes will sell during sleet and snow is not yet clear. About half of the shoppers on the streets were wearing trousers. The other half were wearing hemlines that ranged between short, supertight and last year's midcalf length.

"I am shortening the best of my old clothes," said a French shopper, one among those in a stampede to their tailors.

Several shopkeepers insisted that they were selling "mainly short." Their cheery optimism could be explained by the advice offered at Chanel as to where to peg your hemlines.

"The style is short, shorten everything," said a saleswoman.

And when hemlines drop again in a couple of years? "You'll have to throw all those short clothes away, and start over," she said with apparent pleasure.

Here is a look at what's in store in major Paris shopping areas.

## FAUBOURG ST. HONORE:

Lanvin's black fake fur short evening dress features a removable black tulle pouf to discard when puffs vanish from style. A black velvet cocktail suit is topped by a jacket trimmed with two frisky, embroidered scottie dogs.

As for hem lengths: "Clients wanting skirts shortened ask for wide hems," looking ahead to the day the short look dies, a Lanvin spokeswoman said.

Guy Laroche customers crowded in to try on bulky coats with wraparound scarves buttoned in front. Quilting abounds in a black suit with blouson jacket, a quilted gray skirt under a plaid jacket and a long fitted quilted coat.

At Yves Saint Laurent, a boutique manager announced, "A woman does not have to dress very short just because Yves Saint Laurent says short." Discreetly indicating a client, she added, "That customer has legs too long for a mini; knee-top is better. Yes, the

top of the knee seems long now."

YSL winners include a classic suit with huge patch pockets, a shift curved at the hem in front, lame suits with lace-edged jackets, satin blazers in shimmering colors and a dashing, long Cossack coat.

Louis Feraud's unusual suit sport high stand-up collars or embroidered pockets for a fresh look.

One of Pierre Cardin's popular looks is a bright blue suit, a wide belt cinching its waist under wide lapels and a giant collar. Ted Lapidus is showing a white-collared gray flannel dress stitched in white jeans-style, and a black-and-white checked suit with long, narrow lapels edged in black.

## AVENUE MONTAIGNE:

The fast-selling mix-and-match evening wear at Ungaro pairs slim, short velvet skirts or tulle pouf skirts with casual velvet sweatshirts, or velvet tops with skinny straps and velvet blazers. One sleek wool jersey dress has wide shoulders and pleats flipping

above the ankle — "but everybody wants it cut so the pleats hit above the knees," said a boutique spokeswoman.

Nina Ricci's elegant styles include a black-and-white checked wool dress with a ruffle around the neck and down the front.

Christian Dior's star was a black velvet blazer brightened with multicolored dots and shown over slim black velvet skirts with satin blouses in dazzling colors. Black-and-white plaid suits are trimmed with dressy black satin collars and lapels, a trend noted throughout Paris.

At Chanel, two American businesswomen were ordering black-gold buttoned suits shortened to above-knee. "We work on Wall Street and even there everybody is wearing short," one said.

Jean-Louis Scherrer's eye-catchers include white striped or checked coattresses and a gray flannel dress with white touches and a curved hemline; a black-and-caramel striped suit with vel-

vet collar and cuffs over a caramel satin blouse with black polka dots.

## PLACE DES VICTOIRES:

Kenzo offers four hemlines plus jodhpurs and culottes in successful mix-match outfits for both day and evening. His new jacket is long and oval — one in camel with a brown corduroy collar over pants or skirts; another in red over a short red dress. For evening, jackets in fake fur, velvet or brocade mix with short or long skirts.

Enrico Coveri's winsome hand-knitted sweaters with huge leg-of-mutton sleeves, combine with ruffled short skirts, both in multicolored fruit designs.

At Thierry Mugler the high points are a gray coattress with one huge pocket; a black knitted skirt with matching sweater and gloves, both edged in gray chenille; a long black evening gown with a giant ruffle around the bare back and a long-waisted coat.

Jean-Paul Gaultier used his new stretch fabric for suit jackets and

mini dresses. Among his unique numbers are a midcalf black evening dress with a low puffy collar and long net sleeves and a red suit with giant safety pins fastened through the buttons.

## ON THE LEFT BANK:

Among the mass-market knitwear shops, Alain Manoukian shows sweater-skirt-scarf outfits long and short. Rodier emphasizes calmer outfits "for our clients who want classics at the knee." Kookai sticks to minis and trousers, both tighter than last year.

The Carol boutiques have solved the hemline question with a knitted strapless minidress with a flared hem. Yank it down to the

ankle and add a long cardigan top and you have a maxidress.

The Le Tournus boutique lines up all three hemlines choices in its window: a long black jacket over a green and black plaid miniskirt, a superlong plaid outfit and a coat dress hovering at the knee.

In Sonia Rykiel's shop there was a familiar scene: a seamstress shortening an ankle-length skirt to just below the knee. "We always have shown very long, but this year we are selling about 50-50 short and long," a saleswoman said.

ALINE MOSBY writes about fashion for United Press International.

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## No Fashion Pro Can Afford to Ignore the Paris Collections

Continued from page 7

long défilés are usually preceded by a 45-minute wait that is usually endured under Paris' ever gray, ever rainy skies. Once sufficiently doused and admitted to the huge plastic tents where most of défilés are held, the lighting is forlorn and unflattering; someone has inevitably grabbed your seat and refuses to budge; there are too many tall photographers blocking too many short people's views and there's enough Gauloise cigarette smoke hovering that famous ladies in front-row seats — like Catherine Deneuve or Ivana Trump or Pamela Picasso — sometimes go unnoticed.

Once these shows start, not only are you at the mercy of a designer's clothing quirks, but also preferences for sounds. Never let it be said that someone who has a great taste for fashion has a matching taste for music. I have sat through 20 minutes of Moog-synthesized Wagner; disco tunes so dumb that they made Donna Summers sound cerebral; and soundtracks based on the theory that sugary show tunes put everybody in a jolly good mood. Once in a while, the music doesn't get in the way of the clothes. And, thankfully, once in a while, the accessories and props don't either. (There was a time when live horses, bicycles, sleighs, slide shows, laser beams, hats as big as bathtubs and brooches the size of breadboxes obscured suits and dresses, but things seem to have calmed down a bit.)

If Parisian fashion collections sound a bit dicy from the audience standpoint, they are even more challenging on the other side of the fence. Designers do not sidelessly enjoy themselves condensing six months of work into a show of less than 60 minutes. And if a designer is not a Cecil B. De Mille or Steven Spielberg, it's going to take him a considerable amount of time to hit the big time — if ever. A good showman is not necessarily a good designer, but he might be a successful designer.

What is a good fashion show? One that gets the message across in an original, clear manner. A good show includes models who understand — and hopefully like — the clothes. Even more important, a "good model" is one who

corresponds with a designer's current female fantasy: Innocent little dumplings, sleek athletes, smoldering vamps, creatures of nature or driven career women are all acceptable model images today.

Sometimes these girls know how to walk, sometimes they don't, but if the girl suits the designer's mood, it is acceptable.

A good collection is also, of course, filled with good clothes that are professionally turned out. Quality counts — so do silhouettes and cuts that might be worn by women who are not built like asparagus. These present several organizational problems. If the average collection is comprised of at least 100 ensembles, that means

that several hundred individual clothing items must be perfectly made and ready in time for the presentation.

Six months sounds like an ample period to round up 300 blouses, skirts, dresses, jackets, coats and pullovers, but given France's proclivity for strikes, deliveries that arrive a month late, fabrics that somehow get dyed in the wrong color and almost as many vacation days as work days, it's a struggle.

And the cost of all of this hoopla is astounding. A good model earns more than \$1,000 per show and most designers hire about 30 per season. The official prêt-à-porter collection tents cost from \$8,000 to \$20,000. Cost of pro-

grams, lighting, soundtracks, props, accessories and food can easily top \$40,000. Entertaining the foreign press and buyers doesn't come cheap either. And the health farm afterward costs a bomb.

It comes down to a choice between being a buyer equipped with umbrella, track shoes, earplugs and an expensive hotel

room; a designer with bottomless pockets, patience and ideas, or a customer who's simply got to have that great new leather matador hula skirt look because it showed up all over the Paris runways.

See you at the shows . . .

MARLAN MCEVOY is a Paris-based journalist who writes about fashion and style.



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## ECONOMIC SCENE

Why Dollar's Fall Failed  
To Stem the Trade Deficit

By CLYDE H. FARNSWORTH

New York Times Service

WASHINGTON — Although the raw numbers show little improvement in the U.S. trade deficit, Reagan administration officials and other analysts paint a more optimistic picture. For instance, they note that the import totals have been swollen by price increases that conceal an underlying shift favorable to the United States.

Over the past 12 months, according to the Bureau of Labor Statistics, import prices have risen by 14.5 percent while export prices have gone up a much more modest 3.3 percent.

Thus, if the \$15.68 billion deficit reported on Wednesday had been calculated with 1986 prices for imports and exports, the number would have been a much improved \$12 billion, said Robert Ortner, undersecretary of commerce for economic affairs.

"Trade has already begun to contribute to real economic growth and jobs," Mr. Ortner said. "The damned trouble is that price increases are still very big in imports, covering up the underlying shift and disturbing financial markets."

Nonetheless, persistent problems are still holding back the faster export growth that will be needed to solve the trade problem. For one thing, economic growth in many world markets is just too slow to generate a thirst for U.S. goods.

West Germany and Japan have placed their priorities on cutting inflation and reducing fiscal deficits. These moves have weakened consumption, causing a decline in U.S. exports despite more competitive pricing. So far this year, American sales to Japan have fallen by 4 percent. This weak consumption comes on top of persistent regulatory problems in penetrating Japan and other protected markets.

As part of its strategy to reduce the deficit, the government engineered a sharp drop in the dollar's value, causing imports to rise in price and making U.S. exports more competitive.

THE DOLLAR, measured against many major currencies, is now 40 percent to 50 percent below its level of February 1985. That much devaluation should have spurred export sales because the dollar price of U.S. goods has become cheaper when calculated in foreign currencies.

But the lower-priced dollar has not yet had the trade impact that experts expected. To be sure, overall exports are higher than they were last year. They have risen on a plateau for the past six months at slightly more than \$20 billion. But imports are higher as well, averaging around \$35 billion in recent months.

The dollar has not fallen much, however, against the currencies of some important trading partners. The trade deficit has worsened most with the countries that have been the biggest markets for U.S. exports. These include such newly industrialized Asian countries as Taiwan, South Korea, Singapore and Hong Kong. U.S. exports in these countries rose by 16 percent this year, but imports arised by 19 percent.

One reason that their products are selling so well in the United States is that these countries have refused to permit their currencies to rise significantly against the dollar.

Analysts said exports from these countries were displacing products from Japan, whose yen has appreciated against the dollar by about 50 percent in the past two years.

In the oil-exporting countries, U.S. exports have been hurt by falling demand, while imports are rising in dollar terms primarily because of increased oil prices. In the first half of 1987, the deficit with these countries worsened by \$2 billion.

Many analysts say that the most effective way to redress the trade deficit is by increasing exports of American manufacturers. In 1980 the United States ran a \$5 billion surplus in manufacturing trade. Last year the deficit was around \$125 billion.

OPEC  
May Raise  
Prices\$18 Is Worth  
Less Now, It Says

Reuters

LAGOS — OPEC's president said Friday that the cartel might adjust oil prices in December to between \$19 and \$20 a barrel from the current \$18 target because of the dollar's decline.

Rufanu Lukman, who is also the Nigerian oil minister, asserted that "\$18 now is worth less than \$18 when we fixed the price. An adjustment, not a raise, is possible in December."

"We think the threshold is \$19 to \$20," he said. "Above that it will begin to make oil from hostile areas competitive."

Ministers from the 13 nations of the Organization of Petroleum Exporting Countries are to meet in Vienna to negotiate a new agreement in December, when a year-long accord limiting OPEC production and targeting a price of \$18 a barrel expires.

Mr. Lukman said a committee on which he serves with the Indonesian and Venezuelan oil ministers visited OPEC states in the Gulf last week and received support from heads of state for the December meeting.

The trip by the quota committee was approved after reports that the cartel had exceeded its joint production ceiling of 16.6 million barrels a day by 3 billion barrels a day in August.

Asked whether he believed that Iraq would accept a higher output quota for its enemy Iran in exchange for higher prices, Mr. Lukman said, "The Iraqis are very keen on higher prices."

"I suspect it is a question of give and take and maybe a negotiable point," he said.

Iraq, which insists on a quota equal to Iran's limit of 2.369 million barrels a day, does not recognize its 1.54 million barrel quota. Mr. Lukman said that OPEC would struggle to bring Iraq into the next agreement.

Analysts believe that OPEC reduced output considerably in September. The International Energy Agency estimated OPEC's September output at 18.5 million barrels a day after 19.7 million in August.

Mr. Lukman did not say by how much overproduction had been reduced, but said that the outbreak had helped to keep the market steady around OPEC's official selling prices.



William G. McGowan, MCI's chairman, is back after recovering from a heart transplant.

Off the Sick List: MCI and Its 'Brains'  
Founder Feels Fit, and Phone Company Wins Contracts

By Calvin Sims

New York Times Service

WASHINGTON — A year ago, things could not have been much worse for MCI Communications Corp., the second-largest U.S. long-distance telephone company, and its chairman, William G. McGowan.

Forced to lower its rates after American Telephone & Telegraph Co. cut prices, MCI posted a huge loss and reduced its staff by 15 percent. Then, Mr. McGowan, the brain behind the company's early success, suffered a heart attack that temporarily removed him from the business.

Today, both Mr. McGowan, who underwent a heart transplant in April, and MCI appear to be recovering. The company has brought its costs under control and won several multimillion-dollar contracts. Analysts predict that proposed changes in the telephone regulatory system will mean bigger profits for MCI. And Mr. McGowan is once again working a 40-hour week.

Reflecting these encouraging developments, the company's stock price has doubled since the first of the year, closing Thursday at \$10.875 in over-the-counter trading.

To be sure, MCI is still struggling and its future is still uncertain. Its operating profit fell 25 percent in the first six months of the year, to \$27 million from \$36 million a year earlier. And many

analysts believe that the company must increase its market share to between 12 and 15 percent, from about 10 percent now, if it is to remain profitable.

To accomplish this, MCI must gain more large business customers, which account for most of long-distance spending in the United States.

In the past month, MCI has won a multimillion-dollar con-

tract from United Airlines, beating out AT&T and Sprint Communications Corp. MCI also won a \$30 million contract to provide long-distance service to the Pentagon.

There has been heavy demand from businesses for MCI's new Prism Plus switching system, and the company now offers 800 numbers. Wants lines and international service. These businesses account for about 20 percent of the long-distance market.

MCI also plans to offer its own operator service by the end of 1988, a move it hopes will generate about \$500 million in

annual revenue. The company posted a \$448.4 million loss last year on revenue of \$3.6 billion.

"The changes you see taking place now," Mr. McGowan said, "are part of a plan we devised over a year ago when we decided that we would either be a major player or get out of this business for good."

Mr. McGowan, 59, who returned to the company full time two weeks ago, remains the chairman. But he shares the newly created office of the chief executive with V. Orville Wright, 67, MCI's vice chairman.

Mr. McGowan turned MCI from a small radio communications company that was nearly bankrupt in 1968 into the only profitable major discount long-distance carrier.

Now that MCI has established its credibility, it is seeking to gain a bigger percentage of corporate business.

"When we show them that we are offering responsive service to meet their specific needs — the kind they can't get from 'Big Mother,'" Mr. Wright said, referring to AT&T, "that's when they will come around."

For the moment, MCI appears to be holding its own. Analysts expect the company to report third-quarter earnings of 6 to 7 cents a share.

And Mr. McGowan is back in the driver's seat. Now, he said, he exercises regularly, no longer smokes, works normal hours and "feels great."

Producer Prices  
Rise by Modest  
0.3% in U.S.

Compiled by Our Staff From Dispatches

WASHINGTON — U.S. wholesale prices climbed a moderate 0.3 percent in September while industrial production rose 0.2 percent, the government said Friday, in two reports that eased fears of a resurgence of inflation.

The increase in the Labor Department's Producer Price Index followed no change in August. Economists had predicted that a sharp rise in the index could trigger further interest-rate increases in nervous credit markets and put more pressure on the Federal Reserve to join in boosting rates.

The rise in industrial production was slightly lower than a 0.3 percent increase in August, the Federal Reserve Board said. It was the second straight small increase after robust growth in the late spring and early summer.

It was the smallest gain in output since April, when output climbed 0.1 percent.

The two reports combined should be reassuring to the financial markets, said Norman Robertson of Mellon Bank. "In the sense that inflation is not going to rocket out of sight and the economy is not on the verge of a major boom."

The increase in the Producer Price Index left wholesale inflation for the first nine months of 1987 at an annual rate of 3.6 percent, compared with a 2.5 percent drop for all of 1986.

The biggest one-month dip in energy costs in nearly a year partially offset higher food and automobile prices in September, the government said. After rising 1.5 percent in both July and August, overall energy prices fell 3.7 percent in September.

The drop in energy prices was paced by a strong 6.4 percent plunge in gasoline prices after a 4.2 percent increase in August. Heating oil prices plunged 11.4 percent after rising 3.7 percent in August.

Food prices increased 1.1 percent after falling 1.3 percent in August. The index for goods other than food and energy increased a hefty 0.6 percent, twice the increase in each of the previous months.

Economic policy makers and financial markets had been eagerly awaiting the figures on wholesale prices for signs of whether inflation was again on an upswing.

Most analysts, including those in the Reagan administration, had largely dismissed inflation as an economic problem for 1987. But economic growth returned after the Consumer Price Index for August rose by an unexpected 0.6 percent.

"I think the PPI continued to show that inflation is not picking up momentum," said Mr. Robertson of Mellon. "It still shows an annual inflation rate of about 4 percent."

Joe Carson, an analyst with Chemical Bank, agreed. "The market's inflation fears are overdone," he said. "The market is ignoring reality. The Fed doesn't have to do anything now."

Reagan administration officials have said that recent higher interest rates were based on "unjustified" fears in financial markets of higher inflation resulting from fresh declines in the value of the dollar.

Pressure has been building for higher interest rates, both in the United States and in other industrialized nations, as major central banks attempt to quell inflation fears with tighter monetary policy.

The Producer Price Index itself, unlike other figures in the monthly report, is not adjusted for seasonal fluctuations.

The companion Consumer Price Index has been advancing this year at a 3 percent rate, the highest since a 8.9 percent increase in 1981. That index, which more directly reflects inflation from rising import prices, will be reported next week.

Wholesale prices for new automobiles were up 3.6 percent in September following a 1.8 percent decline in August.

But Mr. Carson of Chemical Bank said the rise in September auto prices was distorted by a change in the way manufacturers price the cars they sell to dealers.

Because the manufacturers offered low-rate, incentive financing and price rebates in August, they reduced the usual September price allowance to dealers by half. That resulted in an increase in the wholesale price of cars, he said.

**Inventory Rise**  
U.S. business inventories in August grew at 0.2 percent to \$678.8 billion following a 0.4 percent rise in July, the Commerce Department said. Business sales advanced 1.3 percent, the biggest gain since a 4.3 percent increase in February, following a modest 0.2 percent July increase.

(AP, Reuters, UPI)

## Currency Rates

Cross Rates	Oct. 16
Australian dollar	2.0800
British pound	1.6500
Canadian dollar	0.7500
Deutsche mark	1.7500
French franc	6.5500
Italian lira	1.9360
Japanese yen	163.00
Netherlands guilder	2.2000
New Zealand dollar	0.4500
Portuguese escudo	200.48
Spanish peseta	166.64
Swedish krona	4.6600
Swiss franc	1.4500
Taiwan dollar	23.6000
West German mark	1.7500
Yen	163.00

Source: Reuters, Bank of Tokyo, Citicorp, Deutsche Bank, and others. Rates are for U.S. dollars per unit of foreign currency. All rates are for New York. Rates for London are for 100 pounds. Rates for Tokyo are for 100 yen. Rates for Hong Kong are for 100 Hong Kong dollars. Rates for Singapore are for 100 Singapore dollars. Rates for Taiwan are for 100 Taiwan dollars. Rates for South Korea are for 100 South Korean won. Rates for Hong Kong are for 100 Hong Kong dollars. Rates for Singapore are for 100 Singapore dollars. Rates for Taiwan are for 100 Taiwan dollars. Rates for South Korea are for 100 South Korean won.

Other Dollar Values  
Currency Per \$ U.S. Dollar  
Austrian schilling 13.7603  
Belgian franc 40.3399  
Brazilian cruzeiro 270.0000  
Canadian dollar 0.7500  
Chinese yuan 1.5500  
Danish krone 6.4603  
Deutsche mark 1.7500  
French franc 6.5500  
Italian lira 1.9360  
Japanese yen 163.00  
Netherlands guilder 2.2000  
New Zealand dollar 0.4500  
Portuguese escudo 200.48  
Spanish peseta 166.64  
Swedish krona 4.6600  
Swiss franc 1.4500  
Taiwan dollar 23.6000  
West German mark 1.7500  
Yen 163.00

Forward Rates  
Currency 30-day 60-day 90-day 180-day  
Austrian schilling 1.3600 1.3600 1.3600 1.3600  
Belgian franc 40.3399 40.3399 40.3399 40.3399  
Brazilian cruzeiro 270.0000 270.0000 270.0000 270.0000  
Canadian dollar 0.7500 0.7500 0.7500 0.7500  
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Danish krone 6.4603 6.4603 6.4603 6.4603  
Deutsche mark 1.7500 1.7500 1.7500 1.7500  
French franc 6.5500 6.5500 6.5500 6.5500  
Italian lira 1.9360 1.9360 1.9360 1.9360  
Japanese yen 163.00 163.00 163.00 163.00  
Netherlands guilder 2.2000 2.2000 2.2000 2.2000  
New Zealand dollar 0.4500 0.4500 0.4500 0.4500  
Portuguese escudo 200.48 200.48 200.48 200.48  
Spanish peseta 166.64 166.64 166.64 166.64  
Swedish krona 4.6600 4.6600 4.6600 4.6600  
Swiss franc 1.4500 1.4500 1.4500 1.4500  
Taiwan dollar 23.6000 23.6000 23.6000 23.6000  
West German mark 1.7500 1.7500 1.7500 1.7500  
Yen 163.00 163.00 163.00 163.00

Source: Reuters, Bank of Tokyo, Citicorp, Deutsche Bank, and others. Rates are for U.S. dollars per unit of foreign currency. All rates are for New York. Rates for London are for 100 pounds. Rates for Tokyo are for 100 yen. Rates for Hong Kong are for 100 Hong Kong dollars. Rates for Singapore are for 100 Singapore dollars. Rates for Taiwan are for 100 Taiwan dollars. Rates for South Korea are for 100 South Korean won.

Key Money Rates Oct. 16  
United States  
Discount rate 4 1/4 %  
Prime rate 8 1/4 %  
Federal funds 7 1/4 %  
Call money 7 1/4 %  
3-month Treasury bills 7 1/4 %  
6-month Treasury bills 7 1/4 %  
9-month Treasury bills 7 1/4 %  
1-year Treasury bills 7 1/4 %  
3-month CD's 7 1/4 %  
6-month CD's 7 1/4 %  
9-month CD's 7 1/4 %  
1-year CD's 7 1/4 %

Asian Dollar Deposits Oct. 16  
1 month 8 1/4 %  
3 months 8 1/4 %  
6 months 8 1/4 %  
1 year 8 1/4 %

U.S. Money Market Funds Oct. 16  
Merrill Lynch Bond Assets 6.22  
Fidelity Bond Assets 6.22  
Source: Merrill Lynch, Pierce, Fenner & Smith Inc.

Gold Oct. 16  
A.M. 444.15  
P.M. 444.15  
Close 444.15  
Source: Reuters

Source: Reuters, Bank of Tokyo, Citicorp, Deutsche Bank, and others. Rates are for U.S. dollars per unit of foreign currency. All rates are for New York. Rates for London are for 100 pounds. Rates for Tokyo are for 100 yen. Rates for Hong Kong are for 100 Hong Kong dollars. Rates for Singapore are for 100 Singapore dollars. Rates for Taiwan are for 100 Taiwan dollars. Rates for South Korea are for 100 South Korean won.

Japan Allows  
Rate Rise on  
Some Bills

Reuters

TOKYO — The Bank of Japan has given tacit approval to an increase in interest rates on commercial bills, reinforcing sentiment that it is preparing to tighten credit, traders said Friday.

The bank has a strong grip on the interbank market rates and any change in these normally needs its unofficial consent, traders said.

Rates on one-, two- and three-month bills rose .0625 of a percentage point to 3.8125 percent, 3.8750 percent and 3.9375 percent, effective immediately, traders said.

Interest rates in West Germany also have been nudged higher. The central bank agreed to the increases in light of seasonal factors, bank officials said. They denied that the move meant an overall tightening of credit policy.

Said short-term rates were poised for a further rise toward year-end as demand for funds is growing because of seasonal effects. The offering of a second tranche of 1.95 million shares of Nippon Telegraph & Telephone Corp. is likely to absorb more cash from the market.

A Bank of Japan official said the central bank had permitted the rise in the key interbank rates because differentials between them and open-market rates were so large that activity on the interbank market had shrunk.

Open-market rates, over which the bank exercises less control, such as those on certificates of deposit, have remained substantially higher than interbank rates.

The rate on the key three-month certificates in the primary market was around 4.9 percent in trading, compared with the new 3.9375 percent rate on three-month commercial bills in the interbank market.

However, traders said, the central bank should have guided open-market rates lower to reduce the differential with interbank rates, because higher interbank rates would help speculation about a rise in the discount rate, now at 2.5 percent.

The Bank of Japan has said that it has no immediate plans to raise the discount rate. But traders said the central bank customarily has tried to keep the differential between the official discount rate and the two-month bill discount at 1.2 to 1.3 percentage points. The current gap is 1.37 points.

## In Poll on Bosses, Power Edges Out Teamwork

By Reginald Dale

International Herald Tribune

PARIS — Do Western Europe's corporate bosses have the right leadership qualities to cope with the complexities of today's business world? The answer, according to their own senior executives, is generally a scathing "No."

Asked to comment on their chief executive officers by Management Center Europe, a Brussels-based management development organization, a significant number of the 350 executives polled gave their bosses a failing grade. Their leaders, they complained, were too greedy, ruthless and hungry for power.

Only 56 percent said that their superiors had the single most important leadership quality identified in the survey, the ability to build effective teams. Even fewer, 45 percent, said their bosses "knew how to listen," the second most desirable characteristic.

The initial results of the survey, which ultimately will include more than 1,000 senior executives in Western Europe, are to be published this week in Profile, the magazine of Alcatel NV, the international telecommunications group.

The survey was conducted by the management consulting firm of Reginald Dale, who is also the name given to a successful series of venture investment accounts which have been managed in the Isle of Man since 1978.

The Elin Vannin Account is now open to subscriptions from new investors wishing to take advantage of an investment vehicle that is able to profit from both rising and falling markets.

Since their inception in 1978 the Elin Vannin Accounts have achieved an average annual return in excess of 50% from investment in commodity, precious metal, currency, interest rate and stock market index futures.

The Elin Vannin Account is supported by the resources only available from a leading, long established, international futures broker and the experience of their investment team. Bailey Shatkin Limited and Shatkin Trading Company are wholly owned subsidiaries of The London Investment Trust PLC, a public company quoted on the London Stock Exchange. Shatkin Trading Company is the largest clearing member of the Chicago Board of Trade.

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Tel No. \_\_\_\_\_

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"On these first findings, it is clear that today's business leader — whether in Scandinavia, West Germany, France or Spain — is not matching up to the perceived qualities of those who work for him or her," the magazine says.

The executives conceded that their chiefs had some leadership abilities. Seventy-two percent praised their bosses for being "capable of making their own decisions," and 70 percent said their CEOs were "energetic." Only 42 percent, however, believed that they "knew how to retain good people."

Ruthlessness was considered an important leadership requirement by only 10 percent of those polled, but nearly a third, or 31 percent, detected it in their own bosses. Seventy-nine percent said that their corporate leaders should be "visionary," but only 49 percent viewed them that way.

And only 52 percent believed that their bosses were physically fit.

Just over one-third of respondents said that the CEOs should be "motivated by power," but two-thirds thought they were. The same went for money. Only 16 percent saw money as a

desirable motivating force, but 41 percent saw it guiding their bosses' decisions.

The managers had little hesitation in choosing their No. 1 overall leader, inside or outside Britain. Prime Minister Margaret Thatcher of Britain easily topped the popularity poll, receiving more than twice as many votes as Mikhail S. Gorbachev, the Soviet leader, who landed in second place.

Immediately behind Mr. Gorbachev was a long-standing favorite, Lee Iacocca, the chairman of Chrysler Corp. Pope John Paul II came in fourth. No one else among the 50 leaders named won more than 3 percent of the vote.

Back in the business world, Bill Mearns, managing director of Management Center Europe, emphasized the need for corporate leaders to surround themselves with good people and good teams.

"You get good people around you and you get them working on the issue," he said. "Then you don't have to make the decision, because unless they all believe it, it's not going to happen anyway."

"If the leader makes the decision and they don't believe it, they will subvert it somehow," he remarked.

Tokyo Exchange  
Seeks More Seats

Reuters

TOKYO — A subcommittee of the Tokyo Stock Exchange has recommended an increase in the number of seats on the exchange from 93 to 114, an exchange spokesman said. The exchange chairman, Michio Takeuchi, said after the meeting that more than half the new memberships would go to foreign firms.

Approval for the extra seats is still needed from the exchange directors, who are scheduled to meet Oct. 20, and by existing members, who will meet Nov. 4.

Applications for membership will be accepted once a decision to increase the seats is made. Six foreign companies now hold seats, but Japanese officials have been under pressure to expand foreign membership.

Source: Reuters, Bank of Tokyo, Citicorp, Deutsche Bank, and others. Rates are for U.S. dollars per unit of foreign currency. All rates are for New York. Rates for London are for 100 pounds. Rates for Tokyo are for 100 yen. Rates for Hong Kong are for 100 Hong Kong dollars. Rates for Singapore are for 100 Singapore dollars. Rates for Taiwan are for 100 Taiwan dollars. Rates for South Korea are for 100 South Korean won.

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Jyske Bank offers you the possibility of greatly increasing the return on your capital.

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NYSE Most Actives					
Vol.	High	Low	Last	Chg.	
AT&T	59 1/2	59 1/2	59 1/2	0	
IBM	100 1/2	100 1/2	100 1/2	0	
GE	32 1/2	32 1/2	32 1/2	0	
Merck	42 1/2	42 1/2	42 1/2	0	
Amgen	25 1/2	25 1/2	25 1/2	0	
Amgen	25 1/2	25 1/2	25 1/2	0	
Amgen	25 1/2	25 1/2	25 1/2	0	
Amgen	25 1/2	25 1/2	25 1/2	0	
Amgen	25 1/2	25 1/2	25 1/2	0	

Market Sales					
NYSE 4 p.m. volume	238,400,000				
NYSE adv. cons. close	238,400,000				
NYSE adv. cons. open	238,400,000				
NYSE adv. cons. close	238,400,000				
NYSE adv. cons. open	238,400,000				
NYSE adv. cons. close	238,400,000				

NYSE Index					
NYSE	2,244.73	2,244.73	2,244.73	0	
NYSE	2,244.73	2,244.73	2,244.73	0	
NYSE	2,244.73	2,244.73	2,244.73	0	
NYSE	2,244.73	2,244.73	2,244.73	0	
NYSE	2,244.73	2,244.73	2,244.73	0	

Friday's  
**NYSE**  
Closing  
Via The Associated Press

AMEX Diary					
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	

NASDAQ Index					
NASDAQ	1,000 1/2	1,000 1/2	1,000 1/2	0	
NASDAQ	1,000 1/2	1,000 1/2	1,000 1/2	0	
NASDAQ	1,000 1/2	1,000 1/2	1,000 1/2	0	
NASDAQ	1,000 1/2	1,000 1/2	1,000 1/2	0	
NASDAQ	1,000 1/2	1,000 1/2	1,000 1/2	0	

AMEX Most Actives					
Vol.	High	Low	Last	Chg.	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	

Dow Jones Bond Averages					
Bonds	100 1/2	100 1/2	100 1/2	0	
Bonds	100 1/2	100 1/2	100 1/2	0	
Bonds	100 1/2	100 1/2	100 1/2	0	
Bonds	100 1/2	100 1/2	100 1/2	0	
Bonds	100 1/2	100 1/2	100 1/2	0	

NYSE Diary					
NYSE	100 1/2	100 1/2	100 1/2	0	
NYSE	100 1/2	100 1/2	100 1/2	0	
NYSE	100 1/2	100 1/2	100 1/2	0	
NYSE	100 1/2	100 1/2	100 1/2	0	
NYSE	100 1/2	100 1/2	100 1/2	0	

Dow Jones Averages					
Dow Jones	100 1/2	100 1/2	100 1/2	0	
Dow Jones	100 1/2	100 1/2	100 1/2	0	
Dow Jones	100 1/2	100 1/2	100 1/2	0	
Dow Jones	100 1/2	100 1/2	100 1/2	0	
Dow Jones	100 1/2	100 1/2	100 1/2	0	

Standard & Poor's Index					
S&P	100 1/2	100 1/2	100 1/2	0	
S&P	100 1/2	100 1/2	100 1/2	0	
S&P	100 1/2	100 1/2	100 1/2	0	
S&P	100 1/2	100 1/2	100 1/2	0	
S&P	100 1/2	100 1/2	100 1/2	0	

NASDAQ Diary					
NASDAQ	100 1/2	100 1/2	100 1/2	0	
NASDAQ	100 1/2	100 1/2	100 1/2	0	
NASDAQ	100 1/2	100 1/2	100 1/2	0	
NASDAQ	100 1/2	100 1/2	100 1/2	0	
NASDAQ	100 1/2	100 1/2	100 1/2	0	

AMEX Stock Index					
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	
AMEX	100 1/2	100 1/2	100 1/2	0	

## MARTS: Dow Plummets 108 in Sell-Off

(Continued from Page 1)

Chemical Bank of New York Thursday. The prime is the rate banks charge on borrowings by their best customers.

While higher rates and fear of inflation are creating uncertainty among investors, the U.S. bond market managed to hold small gains Friday.

The dollar ended mostly lower Friday in New York, slipping below the psychologically important level of 1.80 Deutsche marks. (Page 17)

Gold prices in New York jumped Friday with the continued erosion in stocks. On the spot market gold closed at \$471.25, up more than \$8 from \$462.82.

The fall in stock prices caused Treasury bill rates to decline dramatically in anticipation of a switch from stocks into bills, traders said.

The Dow's plunge erased an early 34-point gain in long-term Treasury bonds, which finished only narrowly higher. Bill prices, however, rallied. Bill rates fell to a low of 6.69 percent, and closed at 6.80 percent bid, a fall of 27 basis points from the previous close. The 8 1/2 percent, 30-year bellwether bond rose 6/32 to 87 1/2/32.

Broad-market indexes on the New York Stock Exchange posted big losses. The NYSE index fell 8.32 to 159.13. Standard & Poor's 500-stock index dropped 15.38 to 282.70. The price of an average share plunged \$1.88.

Prices plunged in heavy trading of over-the-counter and American Stock Exchange issues. The American Stock Exchange index plummeted

ed 12.25 to 323.55 while the National Association of Securities Dealers composite index dropped 16.18 to 406.33.

"The market's just not ready to go up yet," said Rodd Anderson, vice president in equity trading at Shearson Lehman Brothers Inc.

"After such a steep correction, it's awfully tempting to step in and buy," said Mr. Anderson, "but we'll just have to see. We could get another day of this, and my buy tickets are still firmly on my desk. I haven't picked up one yet."

Merrill Lynch & Co. said its investment strategists raised the bond portion of their model portfolio to 40 percent of assets from 35 percent and lowered the stock portion to 40 percent from 45 percent. Twenty percent of the model portfolio's assets remain in cash.

Merrill's chief investment strategist, Charles Clough, said the trade deficit news that has triggered the financial markets' recent declines was "just the catalyst."

AT&T was the most active NYSE-listed issue, falling 2 1/2 to 30.

Exxon followed, falling 3 to 43 1/2.

International Business Machines was third, dropping 5 1/2 to 135.

Among other blue chips, Eastman Kodak fell 2 1/2 to 90 1/2. American Express slid 3 to 30 1/2. General Electric slid 3 to 50 1/2 and General Motors lost 3 1/2 to 67.

Amendahl led the Amex actives, falling 3 1/2 to 43 1/2.

(UPI, Reuters, IHT)

12 Month High Low Stock Div. Yld. PE					
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE

12 Month High Low Stock Div. Yld. PE					
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE

12 Month High Low Stock Div. Yld. PE					
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE

12 Month High Low Stock Div. Yld. PE					
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE

12 Month High Low Stock Div. Yld. PE					
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE

12 Month High Low Stock Div. Yld. PE					
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE
12 Month	High	Low	Stock	Div.	Yld. PE

(Continued on next left-hand page)





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# FREE INFORMATION FROM INTERNATIONAL INVESTOR VI Herald Tribune

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## TRANS EUROPE FUND N.V.

Trans Europe Fund - quoted on the Amsterdam Stock Exchange - is one of Europe's fastest growing open end investment funds. It offers the investors a well diversified participation in companies, whose operations are based in the European Community, the Scandinavian countries and in Switzerland. Not only big, well-known companies but interesting smaller ones are also included in the Fund's holdings. The management bases its policy on fundamental investment and macro economic research and follows an active and alert investment approach, anticipating future developments. Shares Trans Europe Fund: an effective and convenient way to participate in Europe's future. Information: ABN-de Neufville International Investment Advisory Company B.V. P.O. Box 669 1000 EG AMSTERDAM.

TRANS EUROPE FUND N.V.  
ANNUAL REPORT 1986



COVERING THE PERIOD FROM  
1 OCTOBER 1985 TO 31 DECEMBER 1986

## BASF

BASF is a major international chemical company. Its trailblazing scientific and technological achievements, integrated production and intensive marketing have built a significant position for BASF in world markets. In 1985 the world economy was substantially characterized by the drop in oil prices and the declining value of the dollar. Both factors put heavy pressure on chemical product prices. Although BASF sold higher volumes, sales receded for the first time since 1975. In spite of these turbulences BASF had a good year in 1986, in keeping with the standard of the previous years' successes.



## BAYERISCHE VEREINSBANK AG

BAYERISCHE VEREINSBANK AG paid its more than 90,000 shareholders an increased dividend of DM 13.00 (= 26%) for 1986. As a successful commercial and mortgage bank, we have continued to expand at home and abroad. Total assets rose by DM 1.3 billion to DM 80.9 billion in the second quarter, falling short of the year-end figure for 1986 by less than DM 0.6 billion. At mid-year 1987 total assets of the BV Group rose by DM 1.6 billion to DM 141.7 billion. BAYERISCHE VEREINSBANK shares are traded on all stock exchanges in the Federal Republic of Germany as well as in Zurich, Geneva, Basel and Vienna. The bank is active through its branch network in all parts of the world: in the U.S.A. (five outlets), in Japan (two outlets), in South America, in China (Beijing), in Hong Kong, in the Middle East, in Africa and in Europe. The number of outlets comes to roughly 400 altogether. Information on BAYERISCHE VEREINSBANK'S top-quality shares can be had under our Munich telephone number (089) 3884-8811.

Annual Report  
1986



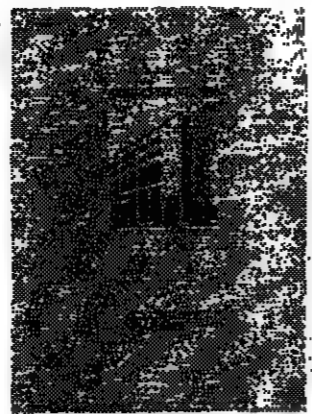
COVERING THE PERIOD FROM  
1 OCTOBER 1985 TO 31 DECEMBER 1986

## CERUS

CERUS: Consolidated net profit of 194 million francs for the first six months of 1987. CERUS, the French holding company of the De Benedetti Group created on July 1, 1986, had a consolidated net profit of 194 million French Francs for the first six months of 1987. This compares with a non-consolidated profit of 54.3 million French Francs for 1986. Annual earnings for 1987 are expected to be in line with those of first six months. CERUS, which is now one of the major Groups listed on the Paris Stock Exchange, has become a diversified holding company with major investments in Valeo, Yves Saint Laurent and Pearson plc. Two share issues, the first in January and the second in April, were successfully offered in 1987. VALEO, in which CERUS has a controlling stake, had a consolidated net profit of 203 million French Francs, representing 2.8% of total revenues, during the first six months of 1987. YVES SAINT LAURENT, a company in which Cerus is associated with Yves Saint Laurent and Pierre Bergé, concluded an agreement with Revlon for the sale of its mass-market perfumes and cosmetics, last June. These activities had been acquired in December 1986 by Yves Saint Laurent through the acquisition of Charles of the Ritz. If the sale to Revlon is taken into account, the Yves Saint Laurent perfumes have been acquired on the basis of a p/a of 16.5. The share holding structure of CERUS, in which the De Benedetti group holds 40%, has been reinforced by the acquisition of a 3% stake by Shearson Lehman (American Express Group), which is already a shareholder in Cofide in Italy and in Cofir in Spain.

## CREDIT BANK

CREDIT BANK A.E., ranks fourth among commercial banks in Greece and is the largest private sector bank. In 1986 assets increased by 28% to Dr. 439,437 million (US\$3,255 million), deposits by 26% to Dr. 232,336 million (US\$1,674 million). Loans and advances by 36% to Dr. 113,023 million (US\$814 million) and net profits by 82% to Dr. 1,841 million (US\$13 million). As a result, the market price of Credit Bank's share, rose from Dr. 1,750 (31 Dec. 1985) to Dr. 3,570 (31 Dec. 1986) to Dr. 11,400 (31 Aug. 1987). The Bank, acknowledged as one of the most innovative, maintains 117 units all over the country and a network of 50 Automatic Teller Machines. On May 5, 1987 the Bank increased its share capital to Dr. 3,300 million by issuing 440,000 new shares.



## CREDIT NATIONAL

1986: a varied range of loans to meet all corporate needs. New long term loans: FF 15 billion (U.S.\$2.3 billion); loans outstanding: FF 72 billion (U.S.\$11.1 billion); investments financed in 1986: FF 108 billion (U.S.\$16.7 billion). Fund raised in 1986: FF 13 billion (U.S.\$2 billion). Medium and small-sized businesses accounted for two thirds of the clientele. Product ranges loans carrying fixed, variable, or adjustable interest rates with maturities of one to twenty years, in French francs or foreign currencies; lines of credit; equity financing; equipment lease financing. Other services: legal and financial engineering; business appraisals, mergers and acquisitions; financial and economic analysis; diagnostics and financial consulting.



## DAIMLER-BENZ AG

In 1986 Daimler-Benz was able to continue on its successful course of growth. Consolidated sales, of which one-quarter was accounted for by the new divisions AEG, Dornier and MTU, and three-quarters by the traditional automotive sector, rose 25% to over DM 65 billion. Demand for Mercedes cars once again exceeded our production capabilities. In the highly competitive commercial vehicle business, Daimler-Benz maintained its leading market position as the world's biggest manufacturer of trucks upwards of 6 tonnes. Altogether, the new divisions in the group succeeded in raising sales and employment. Operational results continued to be encouraging in 1986, above all because of favorable developments in the car sector, and amounted to DM 1,767 million for the group as a whole and DM 1,404 million for Daimler-Benz AG.

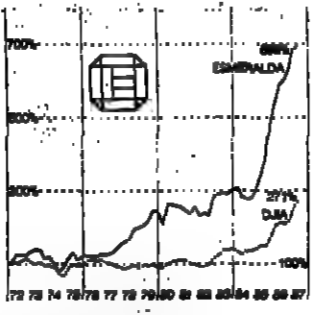
## DUBOIS INVESTISSEMENTS

The Dubois Investissements Group is France's leading DIY retailer, with 81 hypermarkets carrying the Castorama sign. 1986 highlights: — sales were up 20.5% to F.Fr. 4,756 billion; — Funds provided from operations rose 35.5% to F.Fr. 178.6 million; — Consolidated net current income was up 26.2% to F.Fr. 64.1 million. Attributable income totalled F.Fr. 34 million, 26.9% up from the 1985 figure of F.Fr. 26.8 million. The Group is continuing its expansion in 1987, with the opening of 5 new stores and forecast sales of F.Fr. 5.6 billion.



## ESMERALDA International Investment Fund

ESMERALDA, quoted on the Luxembourg Stock Exchange, is an international investment fund established in 1972 according to Dutch law. The investment activities of the fund are mainly directed to investment in the shares of corporations. ESMERALDA selects with care the objects it invests in and diversifies these throughout a number of countries and sectors. Currently, the investment fund has a worth of approximately \$100 Millions. During the past 10 years the achieved results of investment, measured in US Dollars, averages 18% annually. For further information on the investment opportunities the ESMERALDA Fund offers you: ESMERALDA International Investment Fund P.O. Box 76, 1000 AB AMSTERDAM, The Netherlands. Tel. 31.20 - 55 02 322 Telex 10877.



## Mark Twain said:



'Buy land. They stopped making it a long time ago.' BUT NOT THE DUTCH. They created a new province on the bottom of the sea!

- a safe and beautiful place to live
- situated in the heart of Holland and western Europe
- 40 minutes from Amsterdam and Schiphol airport
- thousands of new acres of industrial and commercial space
- available at very competitive prices

FLEVOLAND, the promising province! Postbus 56 8200 AB Lelystad The Netherlands

## F.P. Special Assets Ltd.

F.P. Special Assets Ltd is a public listed Hong Kong company specialising in the acquisition of undervalued assets and special situations to create value for its shareholders. F.P. Special Assets Ltd is an active, deal-doing company whose management concentrates on a small, focused portfolio of property and company assets in the Asia-Pacific region, exploiting the gap between the market's perception of value and the asset's real value. Since its founding in December 1985 to June 30 1987, F.P. Special Assets Ltd has increased its net asset value per share by 381 per cent (undiluted basis).



## GAN

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RAPPORT ANNUEL 1986



## Hutchison Whampoa Limited

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## Industriekreditbank (IKB)

"The bank Committed to Enterprise" is the only nationally active German bank that lends exclusively to corporations. For this reason, the first part of IKB's 1986/87 annual report is devoted to matters of special interest to companies. IKB also reports a highly successful 1986/87 business year. Claims on customers rose by DM 1.9 billion to DM 14.2 billion, with net interest income growing by 13.7% to DM 256 million. Although issuing domestic bonds continued to be the major source of refinancing, funding from the Bank's own foreign bond issues grew at an even higher rate. Capital resources amounted to DM 746 million — 24% above the previous year's figure. Proposed is a dividend of DM 8.00 per DM 50 nominal share of the increased capital.

ANNUAL REPORT  
1986/87



Industriekreditbank AG  
Deutsche Industriebank  
Committed to Enterprise

## DP America Growth Fund

DP America Growth Fund NV has been established in December 1985 to provide investors with a means of investing in small and medium-sized U.S. corporations with above average long term growth potential. The shares of these companies are traded on the NASDAQ-NYSE market, one of the largest stock markets in the world. The companies in which DP America Growth Fund invests should meet certain fundamental conditions on market position, financial strength, quality of management and product innovation policy. The primary objective of the fund is to achieve capital growth on the longer term.



DP Asset Management Inc., an American joint venture of Persen, Holding & Persen, acts as investment advisor. DP America Growth Fund has the status of an open-end investment company, incorporated under the laws of the Netherlands Antilles and hence in the position to issue and repurchase shares. Issue and repurchase of shares can take place at each first working day of the week at the net asset value per share, after addition or deduction of expenses (1% and 1.5% respectively). The shares of DP America Growth Fund, denominated in US \$, are daily traded on the Amsterdam Stock Exchange. The share price is based on the net asset value and daily quoted in the newspapers. Investors may purchase and sell shares through banks and brokers. Information: Persen, Holding & Persen - Harenpoort 237 - 1016 BH Amsterdam - The Netherlands - tel. +31-20-211188.

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## CURRENCY MARKETS

## Dollar Ends Mostly Lower in N.Y.

Compiled by Our Staff From Dispatches  
NEW YORK — The dollar ended mostly lower Friday in New York, dropping below the psychologically important level of 1.80 against the yen and raising the possibility of renewed intervention by the central banks to halt its slide.

The sentiment remains extremely bearish in light of the trade deficit, said Paul Johnson of Harris Bank, Chicago, referring to the U.S. government's report Wednesday that the nation's merchandise trade deficit narrowed in August to \$15.7 billion from a \$16.5 billion shortfall in July.

Most expectations had called for a deficit of \$14 billion to \$15 billion.

Dealers also said that a plunge in stock prices weighed on the dollar. The Dow Jones industrial average plummeted by a record 108 points Friday.

The dollar closed in New York at 1.7980 DM, down from 1.8005 DM Thursday, and at 142.40 yen, up fractionally from 142.10.

It fell to 6.0045 French francs from 6.0105 and to 1.4880 Swiss francs from 1.4900. The dollar also set ground against the British pound, which ended at \$1.6665, down from \$1.6675 Thursday.

The dollar's gain against the yen is attributed to increased tensions in the Gulf, where a U.S.-sponsored tanker was hit by a missile from Kuwaiti waters. Japan depends heavily on oil exports from the Gulf, and oil prices rose in response to the news.

The dollar's generally weaker

close came after it had held modest gains for much of the day, buoyed by the Gulf situation and an improvement in bond prices.

"The 140-yen level is critical in that it's probably the floor for the Louvre accord," Mr. Johnson said. "The market is going to see if they are going to intervene."

Foreign exchange traders believe that the Group of Seven nations — the United States, West Germany, Great Britain, Japan, France, Italy and Canada — agreed during a meeting in Paris in February to defend a trading range of 140 yen to 160 yen.

Mr. Johnson said that the Federal Reserve Board might be forced to increase the discount rate to defend the dollar. In September, the

Fed raised the rate to 6 percent from 5.5 percent.

In Europe, the dollar firmed slightly Friday in abbreviated trading. But dealers said that market participants remained unwilling to push it aggressively up or down after its midweek slide on the larger-than-expected U.S. trade deficit.

In London, where the pound closed at \$1.6643 Thursday, foreign exchange markets were closed Friday because of hurricane-force winds that swept Britain overnight.

The U.S. currency was fixed in Frankfurt at 1.8025 DM, up from 1.8014 DM on Thursday, and in Paris at 6.0130 French francs, from 6.0115.

The dollar closed in Zurich at 1.4955 Swiss francs, up from 1.4890.

(Reuters, UPI)

## Belgium Raises Some Rates To Bolster Weakened Franc

BRUSSELS — Belgium raised interest rates on Friday to defend the franc, which has been weakened by a political crisis that threatens the stability of a government that has been popular with investors.

The economic austerity policies of Prime Minister Wilfried Martens's coalition have slashed Belgium's huge budget deficit, putting the economy on a healthier footing and winning a large measure of business confidence, economists say.

But the government's offer to resign on Thursday over a language dispute raises the possibility of a new coalition including socialist parties, and analysts said foreign investors could be frightened off if they tune down the austerity program. The offer to resign pushed the franc sharply lower against the Deutsche mark on Thursday.

Belgium's central bank raised very short-term interest rates, its main tool for guiding the money market. The Belgian National Bank said it raised its key three-month certificate rate by 0.25 point to 7.15 percent, the one-month certificate rate by 0.25 point to 6.75 percent, and the two-month rate by 0.30 to 6.80.

The rate increase succeeded in pushing the franc up slightly. The franc was fixed in Brussels at 20.818, compared with 20.855 at Thursday's fixing.

## Data Raise Questions on Fed's Policy Analysts See Firming, but Reluctance to Raise Discount Rate

NEW YORK — The latest banking data raise some questions about the degree to which the Federal Reserve has tightened monetary policy and underscore the view that it is unwilling to raise the discount rate, economists say.

"I do believe policy has firmed lately," James Winder of Merrill Lynch Capital Markets said Thursday. "But the extent of the tightening has to be re-evaluated in light of these numbers."

Discount window borrowings averaged a low \$345 million a day in the week ended Oct. 14. In the previous two weeks, they averaged \$726 million a day.

Given the high level of borrowings in the previous maintenance period along with an elevated federal funds rate, some economists had thought that the Fed had raised its two-week borrowing target to \$700 million from \$500 million.

To meet that goal, borrowings in the current week — the second half of the period — would have to be about \$1 billion.

But economists now say that, while the Fed may have raised the borrowing target, a \$600 million level is more probable. That implies an average federal funds rate of about 7.5 percent. In the latest week, the federal funds rate averaged 7.59 percent, up from 7.43 percent.

And despite the clamorings of the bond market, the Fed has clearly signaled that it is reluctant to take the more overt step of increasing the 6 percent discount rate now.

Economists cited two factors reinforcing this view. First, they said, the Fed entered the government securities market earlier than usual Thursday to add reserves aggressively via overnight system repurchase agreements with federal funds at 7.75 percent. Economists expected term system repurchases.

Second, administration and Fed officials have been united in recent days in berating the financial markets' fears over the threat posed by inflation.

"With the system repurchases today as well as with speeches, the United States is saying it will be dragged kicking and screaming to raise the discount rate," Michael Penzer of BankAmerica said Thursday.

"The system repurchase was about as blunt a message as you can get that the Fed won't increase the discount rate if they can help it," added Mr. Winder of Merrill Lynch.

In recent days, Alan Greenspan, the Fed chairman, and Robert Heller, a board member, have both tried to calm inflation fears. On Thursday, they were followed by President Ronald Reagan, Treasury Secretary James A. Baker 3d, Manuel H. Johnson, the Fed's vice chairman, and Beryl W. Sprinkel, chairman of the Council of Economic Advisers.

"It's a long time since I've seen such a coordinated effort," Mr. Penzer of BankAmerica said. "They are saying, 'Look boys, we don't want things to take off.'"

talk the market into calming down will not work."

He said that, especially after Wednesday's news of a larger-than-expected U.S. merchandise trade deficit for August, the Fed may be forced to do more than just talk.

"Given all the speeches, they probably won't raise the discount rate soon, he said.

Mr. Penzer and some other economists agree with the official U.S. view that inflation and growth indicators do not warrant a higher discount rate and that market concerns about inflation are overblown.

But some economists, such as Stephen Sifer of Shearson Lehman Government Securities Inc., think the Fed should act.

"If the Fed is the keeper of inflation expectations, then it needs to do something," Mr. Sifer said. "If inflation expectations are rising, it's better to do something before those expectations become reality."

Bill Jordan of Ried, Thunberg & Co. said the latest data and officials' comments suggest that a discount rate increase is not imminent. But he said he thought the Fed might have raised its borrowing target to \$700 million.

"Borrowing was held down because reserve reserves were abundant," he said. "That was because the Fed didn't like the fed funds rate being so high and supplied reserves early."

Separately, Thursday's data on the monthly aggregates showed sluggish, below-target M-2 money supply growth and M-3 expansion at the low end of the Fed's target.

## SLIDE: Stock Investors Are Wary, Dreading Another 'October Massacre'

(Continued from Page 1)

clines going back to 1914. On Oct. 28, 1929, known as Black Friday, the Dow dropped 12.8 percent, the greatest one-day decline in value ever.

But Mr. Birinyi considers comparisons since 1929 more meaningful. "In the postwar period, the most severe decline was the 35.9 percent fall from December 1968 to May 1970," when the Dow plummeted from 985.20 to 631.15, he said.

Since 1945, there have been 30 declines of 10 percent or more in

the Dow. Of those, 18 have equalled or exceeded the current retreat.

But statistics cannot come close to measuring the anxiety. Despite the fact that Wall Street lives by the numbers, it is ruled by emotions. And those emotions are decidedly mixed. The stock market has fallen sharply, wiping out billions in paper profits.

"I think we've got a good chance of looking at the bottom," said Peter Eliaides, publisher of Stock Market Cycles, a Los Angeles-based investment newsletter. Mr. Eliaides is a market timer — that is, he tries to identify major swings in

the stock market for his 4,000 subscribers.

Mr. Birinyi of Salomon, speaking before trading Friday, said he believed that the bull market is still intact. Noting that the market has reacted badly to widely publicized worries about the trade deficit, interest rates and the dollar, he said: "If the problems of the market are so obvious, that's not a bad sign."

When the market goes down without any apparent reason, then it's a sign the market knows something you don't.

Other analysts are arguing that the current Wall Street rout has

purged much of the optimism not to mention inflated price-earnings ratios — from stocks. High levels of pessimism, these analysts say, is often a sign of an imminent bounce higher.

That notwithstanding, some analysts are decidedly gloomy.

Richard Russell, publisher of a stock market newsletter that tracks moves in both the Dow industrial and transportation averages, said Thursday that stocks had entered "a primary bear market." (The Dow transports plunged 38.59 points, to 941.65, Friday.)

## Friday's OTC Prices

NASDAQ prices as of 4 p.m. New York time

Via The Associated Press

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## Friday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

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<b>ACROSS</b>	<b>ACROSS</b>	<b>ACROSS</b>
Poet Nicholson	51 "Aa... cara."	80 Paris airport
Dolphin's	Bellini aria	81 "Aa apple..."
cousin	52 Court	82 Winged
— Lama	allegations	83 Opposite of
Pilant	54 Teheran native	post...
Reaches	55 Caravansary	84 Off Broadway
Pattern	56 Bewing	award
Start of a four-line	57 Group of six	85 Pipe
verse	58 Three sheets to	87 Mower
Accumulated	the wind	89 What, in
Santa —	59 Choreographer	Grenoble
Innuity or Yuit	Michael	90 Brands
Understand	60 Vetches	91 Neckpiece
Chuck's	61 Mend	92 Kind of path
follower	62 Edit film	93 Word with kin
French soul	63 Judges' carb	or nip
Tongs' partner	64 M... fier	96 Ode
Ceremonial	67 Summer quaff	
acts	70 Living teddy	101 End of the
Saharan	bear of a	verse
Lumux	71 A	105 Nimble
Length times	hypothetical	106 Was a diarist
with, e.g.	unit of living	107 Strip a whale's
Part of être	material	blubber
Galatea's	72 Veranda	
lover	73 Pedro's aunt	108 Clio or Edgar
Model	74 Third line of	
McPerson	75 Mind, to	109 Certain metal
Second line of	Marcus	fee
		110 Tallinn natives

DOWN	DOWN	DOWN
Brouhahas	17 Neither Rep. nor Dem.	42 Sam of links fame
Mama's imperative	18 Church official	43 World's supporter
Repeat	23 Ump's cry	44 Flynn of flicks
Kind of dice	24 Hon	46 Kind of illusion
Purport	29 Bowery figures	47 — la Cité
State open-mouthed	30 Aleutian isle	48 Ham it up
Map abhor.	32 "Karl" Went to C.	49 Bush thumbs down
Munched	Porter	50 Immense
Run	33 "Stormy Weather" composer	57 Sacred: Comb. form
Instruments for Aa and Bb	34 Casaba	58 Oriental hostility
Washery	35 Army off.	59 Parents publication of
Deprive, in a way	36 Queenly	60 Rot drink
Compass pt.	37 Yearmed	61 Unit of inductance
Adorned	38 N.Y. city	62 Cut corners
Holy of Dixie	39 Corn of d., Idaho	63 Capability
Writer	40 Malodorous	64 Woolen cloth
O'Shaughnessy		65 Legal paper
Comfort, in Calabria		

*By Edward Jablonski. 436 pages. \$21.95.  
Doubleday, 245 Park Avenue, New York, N. Y.  
10167*

**L**IKE F. Scott Fitzgerald, George Gershwin seemed to possess the Jazz Age. He had early, brilliant success, a hectic, glamorous life, and his best work embodied the United States' own youthful romanticism, its tough, unvarnished capacity for wonder, its yearning after beauty and lost possibility. Both men died, shockingly young — the composer at 38, the author at 44. Both commuted between related careers — Gershwin between song writing and music for the movies, Fitzgerald between the writing of novels and magazine stories and novels. And while both enjoyed enormous popular success, both left legacies that would earn them enduring recognition as distinguished American artists.

Over the years, half a dozen books about Gershwin have been written — including Charles Schwartz's chatty, gossip-filled biography ("Gershwin: His Life and Music"); a symphonic, photographic volume by Robert Taft ("George Gershwin: The Music and the Man"); and another pictorial tribute by Edward Jablonski and Lawrence D. Siewart ("The Gershwin Years"). The latest is Jablonski's full-

EUROPE			ASIA		
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Algeria	2	6	id	18	22
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Antwerp	18	24	id	18	22
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Bombay	23	29	id	18	22
Buenos Aires	17	23	id	18	22
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Canton	17	23	id	18	22
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Norfolk	17	23	id	18	22
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Puerto Rico	17	23	id	18	22
Rangoon	17	23	id	18	22
San Francisco	17	23	id	18	22
Shanghai	17	23	id	18	22
Singapore	17	23	id	18	22
Sourabaya	17	23	id	18	22
Taipei	17	23	id	18	22
Tientsin	17	23	id	18	22
Yokohama	17	23	id	18	22

AFRICA			LATIN AMERICA		
	HIGH	LOW		HIGH	LOW
Algeria	2	6	id	18	22
Amsterdam	18	24	id	18	22
Antwerp	18	24	id	18	22
Berlin	23	29	id	18	22
Bombay	23	29	id	18	22
Buenos Aires	17	23	id	18	22
Calcutta	17	23	id	18	22
Canton	17	23	id	18	22
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Colon	17	23	id	18	22
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San Francisco	17	23	id	18	22
Shanghai	17	23	id	18	22
Singapore	17	23			

The image shows a 10x10 grid-in answer sheet. The grid is composed of small squares, each containing a number. The numbers are arranged in a pattern that suggests a sequence of questions or problems. The numbers are as follows:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
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52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68
69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85
86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102
103	104	105	106	107	108	109	110									

© New York Times, edited by Eugene Malachuk

scale biography, published this year to coincide with the 50th anniversary of the composer's death.

A longtime friend of the Gershwin family, Jabanovic writes knowledgeably about the composer's work, his collaboration with his brother, Ira, and the genesis and evolution of individual compositions (including "Rhapsody in Blue" — "An American in Paris" and such songs as "He Loves and She Loves," "Fascinating Rhythm" and "Do-Do-Do"). He devotes little space, however, to Gershwin's non-work life and so we are left with little insight into the composer's psyche. The reviewer Schwartz, who purveys a portrait of the artist as a self-conflicted egotist — a man who was rarely on time for appointments, a man who was inordinately charming, careless and self-absorbed — this volume simply gives us a picture of a dedicated professional at work.

Gershwin's childhood in New York, the son of Russian-Jewish immigrants, is quickly and broadly sketched in, and the well-known facts of his apprenticeship and early success are succinctly recounted as are his first piano lessons with "Miss Green" and "Chas. Hambro" and his first piano recital as the youngest "piano" sounder at the age of 15; his emulation of Irving Berlin and Jerome Kern; his breakthrough in 1926 with Al Jolson's recording;

[illegible]

Jablonski shows us how Gershwin's scores for George White's "Scandals," which "were stitched together from individual numbers," served as transitional works between Tin Pan Alley and Broadway, and how "Lady, Be Good," written with Ira in 1924, marked "the advent of the Gershwin musical."

While writing dozens of standards for Broadway and Hollywood, Gershwin was also working on such longer concert pieces as "Rhapsody in Blue," "An American in Paris" and eventually his opera, "Porgy and Bess"; and in tracing his development as a composer, Jablonski illuminates his creative process. We learn that he preferred to write in New York (as opposed to London, Paris or Los Angeles), that he tended to write late at night, that he did better work in the fall and winter (as opposed to the spring and summer, when he was distracted by golf and tennis).

In addition to seeing how Gershwin incorporated new knowledge into his compositions, we come away with an appreciation of his intentions in individual compositions. In the composer's own words, "Rhapsody in Blue" was supposed to "express our manner of living, the tempo of our modern life with its speed and chaos and vitality," while "An American in Paris" aspired to "portray the impressions of an American visitor in Paris as he strolls about the city, listens to various street noises, and

There are many glimpses of Gerstwin in this volume, playing the piano at glitzy social events, looking for a new house, visiting friends, visiting friends, touring Europe, but hardly a single scene that gives us any insight into his personality or his inner, imaginative life. The sources of his ambition and drive, the emotions that informed his compositions, the need to continually challenge himself — these matters are skimmed over by Jablonski, as are his relationships with his parents, with his brothers and sister, with his longtime friend Jay Swift. As a result, we finish this book with little insight into Gerstwin the man but a good working knowledge of his music — which, in itself, is hardly a new achievement.

*Michiko Kakutani is on the staff of The New York Times.*

Panel 1: Bart Simpson and Lisa Simpson are sitting on a park bench. Bart is looking at Lisa and speaking. Lisa is looking at him with a neutral expression.

Panel 2: A close-up of Bart Simpson speaking, with sweat drops on his forehead, indicating nervousness.

Panel 3: A close-up of Lisa Simpson speaking, looking slightly away from Bart.

Panel 4: Bart Simpson is shown from the back, looking at Lisa. Lisa is looking at him and has a large speech bubble above her head that says "GOOD!".

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HERE'S GREAT-GRANDMA RAMONA, THE PIONEER.

SHE HAD A TOUGH TIME IN THE WILDERNESS.

WAS SHE BORN IN A LOG CABIN?

NO, BUT HER FAMILY MOVED INTO ONE.

AS COULD AFFORD IT?

2-10-71

SARGE ALWAYS SLEEPS WITH HIS FEET OUT THE WINDOW ON HOT NIGHTS

I WONDER IF HE'S A SOUND SLEEPER

DO NOT MOVE

VERY SOUND

MORRIS

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ARE YOU ON STRIKE?

SORRY, PET. I DIDN'T HEAR YOU WHISTLE

WELL, THE NEXT TIME YOU DON'T HEAR A WHISTLE, COME AND GET MY GLASS

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Dist. by North America Syndicate, Inc.

I USED TO BE THE SCHOOL GEEK UNTIL I TOOK THE KARATE LESSONS

...SO WHAT HAPPENED THEN?

THEY GAVE ME THE PINK BELT

PARKER

THIS PLACE IS SO LOVELY! DID YOU SAY THAT YOU WERE THINKING OF SELLING IT?

YES, BUT I CHANGED MY MIND YESTERDAY! I THINK YOU REMEMBER CIMDI, THE YOUNG WOMAN: STUDENT WHO DROVE ME TO YOUR OFFICE?

YES, I DO---

WELL, AFTER SHE DROVE ME HOME, SHE ASKED TO SEE THE HOUSE AND GROUNDS?

SHE WAS SO TAKEN WITH THE BEAUTY OF THIS PLACE THAT I SUDDENLY SAW IT THROUGH HER EYES!

10-17

DANIEL

GARFIELD, WHY DO YOU ALWAYS SPIT THE CHERRY PITS OUT ONTO THE TABLE?

POO

I LIKE A LITTLE FLOOR SHOW AFTER DINNER

JIM DAVIS 10-17

Amsterdam		Close	Prev.	Close		Prev.	Hermney		575	515
Hugel		100	627	629	200		Hewlett Seal		770	770
Hugel & Gatz		100	627	629	200		Hewlett Seal		770	770
Korffelt		100	627	629	200		Hewlett Seal		770	770
Korffelt		100	627	629	200		Hewlett Seal		770	770
Korffelt		100	627	629	200		Hewlett Seal		770	770
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Korffelt		100	627	629	200		Hewlett Seal		770	770
Korffelt		100	627</							

[illegible]

Swiss Reinsurance	3100	3155
Swiss Volksbank	2350	2370
Union Bank	4815	4920
Winterthur	7050	7125
Zurich Ins	7100	7275
SBC Index :	705.10	
Previous :	715.50	

N.Q. : not quoted; N.A. : not available

Toronto Oct 15				Saskatoon		High Low 2 P.M.	
Canadian stocks vs AP							
Index Stock	High	Low	2 P.M. Cap.				
11599 Alstl Prg	232	229	300	5919 Mackin H X	229	227	100
7200 Amipco	232	229	300	5920 Mackin H Y	229	227	100
7200 Amipco	232	229	300	5921 Mackin H Z	229	227	100
7200 Amipco	232	229	300	5922 Mackin H A	229	227	100
7200 Amipco	232	229	300	5923 Mackin H B	229	227	100
7200 Amipco	232	229	300	5924 Mackin H C	229	227	100
7200 Amipco	232	229	300	5925 Mackin H D	229	227	100
7200 Amipco	232	229	300	5926 Mackin H E	229	227	100
7200 Amipco	232	229	300	5927 Mackin H F	229	227	100
7200 Amipco	232	229	300	5928 Mackin H G	229	227	100
7200 Amipco	232	229	300	5929 Mackin H H	229	227	100
7200 Amipco	232	229	300	5930 Mackin H I	229	227	100
7200 Amipco	232	229	300	5931 Mackin H J	229	227	100
7200 Amipco	232	229	300	5932 Mackin H K	229	227	100
7200 Amipco	232	229	300	5933 Mackin H L	229	227	100
7200 Amipco	232	229	300	5934 Mackin H M	229	227	100
7200 Amipco	232	229	300	5935 Mackin H N	229	227	100
7200 Amipco	232	229	300	5936 Mackin H O	229	227	100
7200 Amipco	232	229	300	5937 Mackin H P	229	227	100
7200 Amipco	232	229	300	5938 Mackin H Q	229	227	100
7200 Amipco	232	229	300	5939 Mackin H R	229	227	100
7200 Amipco	232	229	300	5940 Mackin H S	229	227	100
7200 Amipco	232	229	300	5941 Mackin H T	229	227	100
7200 Amipco	232	229	300	5942 Mackin H U	229	227	100
7200 Amipco	232	229	300	5943 Mackin H V	229	227	100
7200 Amipco	232	229	300	5944 Mackin H W	229	227	100
7200 Amipco	232	229	300	5945 Mackin H X	229	227	100
7200 Amipco	232	229	300	5946 Mackin H Y	229	227	100
7200 Amipco	232	229	300	5947 Mackin H Z	229	227	100
7200 Amipco	232	229	300	5948 Mackin H A	229	227	100
7200 Amipco	232	229	300	5949 Mackin H B	229	227	100
7200 Amipco	232	229	300	5950 Mackin H C	229	227	100
7200 Amipco	232	229	300	5951 Mackin H D	229	227	100
7200 Amipco	232	229	300	5952 Mackin H E	229	227	100
7200 Amipco	232	229	300	5953 Mackin H F	229	227	100
7200 Amipco	232	229	300	5954 Mackin H G	229	227	100
7200 Amipco	232	229	300	5955 Mackin H H	229	227	100
7200 Amipco	232	229	300	5956 Mackin H I	229	227	100
7200 Amipco	232	229	300	5957 Mackin H J	229	227	100
7200 Amipco	232	229	300	5958 Mackin H K	229	227	100
7200 Amipco	232	229	300	5959 Mackin H L	229	227	100
7200 Amipco	232	229	300	5960 Mackin H M	229	227	100
7200 Amipco	232	229	300	5961 Mackin H N	229	227	100
7200 Amipco	232	229	300	5962 Mackin H O	229	227	100
7200 Amipco	232	229	300	5963 Mackin H P	22		

1233	Gryland	22 1/2%	22%						
1234	Harco	22 1/2%	22%						
1235	Hawes	22 1/2%	22%						
1236	Hawes	22 1/2%	22%						
1237	Hawes	22 1/2%	22%						
1238	Hawes	22 1/2%	22%						
1239	Hawes	22 1/2%	22%						
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1242	Hawes	22 1/2%	22%						
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1262	Hawes	22 1/2%	22%						
1263	Hawes	22 1/2%	22%						
1264	Hawes	22 1/2%	22%						
1265	Hawes	22 1/2%	22%						
1266	Hawes	22 1/2%	22%						
1267	Hawes	22 1/2%	22%						
1268	Hawes	22 1/2%	22%						
1269	Hawes	22 1/2%	22%						
1270	Hawes	22 1/2%	22%						
1271	Hawes	22 1/2%	22%						
1272	Hawes	22 1/2%	22%						
1273	Hawes	22 1/2%	22%						
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1279	Hawes	22 1/2%	22%						
1280	Hawes	22 1/2%	22%						
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1282	Hawes	22 1/2%	22%						
1283	Hawes	22 1/2%	22%						
1284	Hawes	22 1/2%	22%						
1285	Hawes	22 1/2%	22%						
1286	Hawes	22 1/2%	22%						
1287	Hawes	22 1/2%	22						

## SPORTS

## With Strike Broken, Players Sue NFL

By Michael Janofsky  
New York Times Service

WASHINGTON — The National Football League Players Association ended its 24-day strike by sending its members back to work, only to have them find something less than a warm reception.

With neither a back-to-work agreement nor a new collective bargaining contract between the union and the owners in place, the returning players were told Thursday by management that they could not play this weekend. Nor, they learned, would they receive their regular salaries.

At the same time, the union filed a lawsuit against the league. The suit charges that without a bargaining agreement, the system that ties players to their current teams, making it virtually impossible for a player to sell his services to the highest bidder, violates U.S. antitrust laws. A major goal of the union in striking was to achieve unrestricted free agency, the right of a player to change clubs once his contract expires.

Gene Upshaw, executive director of the union, charged that NFL owners had "abused their monopoly powers to the extreme detriment of the players."

"It's unfair to the players to continue making the great sacrifices they have made in the face of this blatant display of monopoly power," he said, reading a statement outside the Players Association's offices here. "The players reps, therefore, voted Thursday to send the players back to work."

And back they went around the league on a frenzied day of activity for the first time since the strike. The union told them they would be paid if they went back to work.

Team owners 'abused their monopoly powers to the extreme detriment of the players.'

— Gene Upshaw  
Executive director of the NFL Players Association



terms extend at least until June 16.

With neither side willing to compromise and the union weakened by more defections — more than 260 players had returned to their teams by Wednesday — the union sent the others back and filed the suit in federal court in Minneapolis. The players asked for a declaratory judgment that the NFL's reserve system, which includes the draft, first-refusal rights and compensation to teams losing free agents, be declared illegal.

"Our position is that without a collective bargaining agreement, there can be no restrictions on a player's contract as of Feb. 1," said Dick Berthelsen, the union's general counsel. He said about 300 players would be affected.

The union filed a similar lawsuit in 1972, seeking to have a court rule the so-called Rostker Rule illegal. The rule empowered the Commissioner Pete Rozelle to decide what compensation a team would receive for losing a player as a free agent. The

court ruled in favor of the union, in essence establishing free agency. But the union, in bargaining, traded free agency for a dues checkoff and the current reserve system, which gives a team the right to match any offer a free agent receives from another team.

## ■ Players Dismayed

A number of players were dismayed by the way the strike ended. The Associated Press reported, "It was like being in a war and losing your bullets," said Rickey Hunley, player rep of the Denver Broncos. "There was nothing left to fight with."

Cris Collinsworth, wide receiver of the Cincinnati Bengals, said, "It's the end of the Civil War and they're taking Atlanta. Let's get the furniture before it burns, too."

Jeff Rohrer, a Dallas Cowboys linebacker, said, "The management and Pete Rozelle did what they wanted to do. They bust us up."

## Twins and Cardinals Head for the Great Indoors

By Murray Chass  
New York Times Service

MINNEAPOLIS — The St. Louis Cardinals and the Minnesota Twins won their league pennants playing surprisingly well under adverse conditions. But no matter how resilient they are, only one of them can win the World Series.

The series was starting Saturday in the Metrodome here. It is the time World Series games will be played indoors.

The Twins, one of the worst road teams in the major leagues this season,

wrapped up the American League pennant by winning two games in Detroit. The Cardinals, one of the least powerful teams in the majors, won the National League pennant without Jack Clark, their top slugger.

Whitney Herzog, who directed his team to its third pennant in six years, arrived here Thursday with the belief that, at best, he will have Clark as a pinch-hitter.

"I don't know if he can run," Herzog said. "I can't DH him if he can't run."

Clark, who injured his right ankle Sept. 9, batted only once as a pinch-hitter in the seven-game pennant playoff. Under the rules, the teams can use the designated hitter for the games at the Metrodome, the American League park, but that won't help the Cardinals get any more use out of Clark.

If the Cardinals should win the series without his more frequent services, the Twins wouldn't be able to win the title by winning games in St. Louis. After compiling a 29-52 record during the reg-

ular season, they surprised the Twins with 5-3 and 9-5 victories in Detroit last Sunday and Monday.

They started the pennant playoff by winning twice at the Metrodome; they had the same advantage scheduling to start the series. Even before the Cardinals stepped into the Metrodome for batting practice and a simulated game Thursday night, the bizarre stadium was on Herzog's mind.

Discussing his young pitchers Greg Mathews and Joe Magrane, he said, "I don't know if the two kids can handle the crowd there. The Metrodome crowd was deafening during the league championship games last week."

[Still, Herzog later decided to start Magrane in the first game, in which he will face Frank Viola of the Twins. The Associated Press reported from Minneapolis. Herzog will use Danny Cox and John Tudor in the following games.]

Herzog is starting the left-handed Magrane despite the fact that the Twins are basically a right-handed hitting team.

Viola, a left-hander, has a good move to first base and should be more effective than the Twins' right-handed starters in holding the Cardinals' road runners.

Further, the Cardinals' switch-hitters haven't hit as well right-handed as left-handed. Against the Giants, the switch-hitting six-

Vince Coleman, Orville Smith, Tom Herr, Willie McGee, Terry Pendleton and Jose Oquendo — batted a collective .203 against left-handers and .279 against right-handers.

Pendleton's status was uncertain. The third baseman pulled a muscle in his left side running the bases Wednesday night and had to leave the game in the third inning.

Clark's absence had already forced Herzog to shuffle his defense, moving Jim Lindeman to first base against left-handers and putting Oquendo in right field. The two home runs the Cardinals had against the Giants.

Tom Kelly, the Twins' rookie manager, doesn't have injury problems. But after his first two starting pitchers, Viola and Bert Blyleven, his staff is shaky. For the third game, he plans to use Les Straker, a rookie, who lasted only 2½ innings against Detroit, then came back with Viola and Blyleven.

■ Home in the Dome  
The Associated Press reported: The Metrodome sits on 10 acres (4 hectares) of land, lighted at night by a soft glow that makes it look a bit eerie, almost like a space capsule that found its way to the outskirts of downtown Minneapolis.

If Star Trek had a baseball team, this would be the perfect park. It is home instead to the Twins, who think it is a fine place for a game that first was played on green grass under a blue sky.

You will find neither of those old-fashioned commodities in this, one of four domed stadiums — the others are in Seattle, Houston and Montreal — used in the major leagues.

After the Cardinals had their first look at the place, Herzog was asked what he thought.

"Are all the lights on?" he said, squinting up at the roof.

If it sometimes seems a trifle dim, almost gloomy on the field, that is characteristic of the field, that is a characteristic it shares with other domes. The field is 47 feet (14.3 meters) below street level. The roof is opaque, somewhat translucent. It is not, however, the sky.

Then there is the wall. Most walls are concrete. A ball hits a wall, it bounces off. One of the mysteries of the Green Monster in Fenway Park is learning how to play the caroms. The Metrodome has a blue monster in right field. But this monster has no caroms.

The 23-foot fence was an afterthought, erected to make home runs more difficult down the 327-foot line. It stands in front of the rolling stands that are used to convert the dome to its football configuration.

Because it had to be portable, this wall is soft, made of a vinyl substance. When a ball hits it, the wall surrenders a third and the ball drops instead of bouncing back. The vinyl causes the wall to billow, almost like a shower curtain.

## SCOREBOARD

## Baseball

## Playoff Composite Statistics

AMERICAN LEAGUE (Minnesota Wins 4-2)									
DETROIT BATTING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

MINNESOTA BATTING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

DETROIT PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

MINNESOTA PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

DETROIT PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

MINNESOTA PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

DETROIT PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

MINNESOTA PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

DETROIT PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

MINNESOTA PITCHING									
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0
Smith	7	1	0	0	0	0	0	0	0
Clark	7	1	0	0	0	0	0	0	0
Herzog	7	1	0	0	0	0	0	0	0

DETROIT PITCHING									
	W	L	T	Pts	GF	GA			
Herzog	2	3	0	4	-15	11	Boston		
Smith	2	3	0	4	8	8	Los Angeles		
Clark	2	2	0	4	19	19	Bourque 2 (2), Nasty (5); Wells (2);		
Herzog	1	1	3	2	14	14	(1). Sheets on post: (on Koons) 6-9-7-		
Louis	0	3	0	0	7	17	24; Los Angeles (on Koons) 13-12-14--39.		

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